

Operations –Exhibit A, Attachment II
SCOPE OF WORK

The use of headings of titles throughout this exhibit is for convenience only and shall not be used to interpret or govern the meaning of any specific term, function, or activity.

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1.0 CUSTOMER SERVICE

1.1 OVERVIEW

The requirements contained in this Contract section shall govern all applicant/beneficiary informing and assistance functions as performed through the Telephone Call Center (TCC) operations, face-to-face presentations, and research functions. These activities encompass functional responsibilities for assisting applicants/beneficiaries in understanding, selecting and using managed care medical and dental plans, as well as receipt and resolution of applicant/beneficiary inquiries and problems. Face-to-face presentations shall be available in managed care counties serviced by Health Care Options (HCO), as determined by the California Department of Health Services (CDHS). All methods of informing and assistance shall be provided in all threshold languages, as determined by the CDHS.

The Contractor shall provide assistance to applicants/beneficiaries in understanding, selecting, and using managed care plans, and shall assure that this assistance is readily accessible to applicants, beneficiaries and their authorized representatives. This assistance shall emphasize beneficiary rights and responsibilities, including annual renotification of managed care plan enrollees.

1.2 OBJECTIVES

The Customer Service requirements described in this section shall:

- A. Ensure that all applicants/beneficiaries are provided accurate, unbiased and current information regarding the health care options available in their geographical location to enable them to make informed health care choices;
- B. Provide availability of a portal to applicants, beneficiaries, and/or their authorized representatives, as well as CDHS and Contractor staff, to obtain general HCO Program information, download informing materials and request assistance;
- C. Ensure toll-free telephone access to TCC staff who are available to assist applicants, beneficiaries, and/or their authorized representatives with inquiries, complaints, Choice Form completion, etc., related to informing, enrolling and participation in the Medi-Cal managed care medical and dental programs;
- D. Ensure through Education and Outreach that applicants/beneficiaries are provided with the opportunity to attend HCO face-to-face presentations provided by Enrollment Service Representatives (ESRs). The purpose of these presentations shall be to educate applicants/beneficiaries about their rights and the health care options available to them and to assist them in completing HCO Choice Forms and/or other HCO forms; and
- E. Ensure applicants/beneficiaries are provided with assistance in resolving problems associated with mandatory and/or voluntary participation in the Medi-Cal managed care medical and dental programs.

1.3 ASSUMPTIONS AND CONSTRAINTS

1. Any toll-free telephone number used by the Contractor for the purposes of the HCO Program shall be the wholly and completely owned property of the CDHS.
2. If the Contractor proposes the use of a subcontract for translation services for translating and responding to calls in all threshold languages, or any combination thereof, the Contractor shall submit a plan for such to the CDHS for review and written approval in their Narrative Proposal.

1.4 TELEPHONE CALL CENTER

The Contractor shall be responsible for maintaining a TCC to provide customer assistance via staff trained to assist callers with their managed care enrollment questions. The TCC shall assist applicants/beneficiaries and/or their authorized representatives in understanding, selecting, and using managed care medical and dental plans. In addition, the TCC shall assist providers, health plans, and counties or other interested parties who request information regarding the HCO Program and/or Medi-Cal managed care.

The TCC staff shall be available to provide assistance to all callers between the hours of 8:00 AM to 5:00 PM Pacific Time, Monday through Friday, excluding State holidays. Telephone calls shall be of sufficient length to assure that accurate, timely and adequate information is gained from and/or imparted to the caller. The TCC staff shall be able to respond to callers in all threshold languages, as determined by the CDHS. The TCC staff shall also be able to respond to callers through Telecommunications Devices for the Deaf (TDD) for the hearing-impaired at the time the applicant, beneficiary and/or their authorized representative places the call. During non-business hours, the Contractor shall provide the capability for callers to leave voice messages and shall ensure that TCC staff place return telephone calls during the timeframe requirements listed in Exhibit A, Attachment II, Section 1.4, Telephone Call Center.

In accordance with the Security and Confidentiality requirements in Exhibit A, Attachment II, Section 8, Security and Confidentiality, contained in this Contract, the Contractor shall comply with CDHS and federal laws and regulations pertaining to Sensitive and Confidential Information, including Personal Health Information, and shall provide access to such information only as authorized by law and CDHS policy.

1.4.1 TELEPHONE SYSTEMS AND EQUIPMENT

The Contractor shall provide the telephone systems and necessary equipment to operate and maintain all contractually required TCC functions as listed below. The Contractor shall:

A. Maintain a TCC operations program to include:

1. A toll-free telephone line and all necessary telephone systems infrastructure and support.

2. A call vectoring system.
 3. A shared communication ~~to — MEDS~~ with the Contractor's Enrollment/Disenrollment process, or Health Plan Enrollment Process if an automated system is proposed and accepted as part of the Contract, -that will allow callers to input their Medi-Cal eligibility identifying information into the telephone system before TCC staff answer the call. The information provided can either be routed to an automated ~~MEDS~~ lookup routine if the Contractor chooses to do so, or to the TCC staff, who shall perform the lookup prior to answering the call.
- B. Allow for an automated Interactive Integrated Voice Response (IVR) process that provides basic HCO Program and Medi-Cal managed care information. This information shall include, but not be limited to, basic enrollment and disenrollment data, basic exception to plan enrollment request data, telephone service hours, Medi-Cal Managed Care Division (MMCD) Ombudsman and Dental Managed Care telephone numbers, State Fair Hearing telephone and address information, HCO and MMCD Programs' mailing address information, Choice Form completion data, ESR locations, HCO and MMCD Programs' fax numbers, etc. In addition, the IVR System or other appropriate technology will allow the capability for the caller to request that a copy of the Choice Form and other program materials be faxed to the caller by entering in the fax number where the materials should be faxed, as long as the telephone number provided to the IVR System is capable of receiving faxes via a direct call from the Contractor's system. The process of faxing shall occur within five (5) minutes of the request, and shall document the types of materials faxed, the date requested and faxed, and the fax number transmitted to, note the request and transmission, and link it to the appropriate head of household beneficiary, if applicable.
- C. Implement a Beneficiary Interaction Tracking (BIT) process that shall log, track, refer, and record resolution of applicant/beneficiary contacts within the HCO Program. The contact types shall include telephone, Interactive Voice Response (IVR), Integrated Predictive Dialer System (IPDS), Automatic Call Distribution (ACD), ESR presentation visit, email and web-based interactions. The BIT process shall provide Contractor staff with a "single view" of encounters for an applicant/ beneficiary. Applicants/beneficiaries shall have the ability to access the tracking process through a "ticket" which has multiple channels in order to receive assistance with their enrollment. The BIT process shall track the tickets from entry through final resolution. The BIT process shall have the ability to refer and/or escalate any customer service issue when appropriate. The BIT process will record and maintain at a minimum applicant/beneficiary identification, caller's language selection, caller's language designations on Choice Forms and/or Exemption/Waiver Request forms, nature of all inquires and/or issues, date and type of contact, status and resolution of each contact, and date of each resolution.

The BIT process shall have the following capabilities:

1. Automatically identify a caller's primary spoken language if the caller's telephone number is known by the system and is the telephone number from

which the incoming call originates; the call shall be automatically routed to a customer service operator who speaks the caller's primary language without the caller being required to identify her/his spoken language, so long as the caller's primary language is one of the threshold languages as determined by the CDHS, or is identified as hearing-impaired.

2. Subject to the CDHS direction, track telephone numbers from callers whose calls were lost or abandoned and conduct a follow-up or return call to the telephone number generating the abandoned or lost call. If the call received is from a switchboard with a general telephone number, these calls will be exempt from operating statistics. If the call received is displayed as placed from a blocked identification number, these calls will be exempt from the requirement for a follow-up or returned call. The Contractor shall retain all supporting documentation of such telephone numbers that are not returnable.
 3. Allow a caller the option of entering in his/her telephone number to receive a return call and maintaining the caller's place in the call distribution queue. The customer service operator's return call shall occur at the same time the caller would have been connected to a live operator had he/she actually been on hold. For the purpose of identifying performance standards incoming calls that result in a caller-initiated automated call back are not associated to the 'call abandonment' performance standards, but are associated to the 'voice mail calls returned' performance standards as specified in above Section 1.4, Telephone Call Center.
- D. Use an Integrated Predictive Dialer System (IPDS) for outgoing calls made by the TCC. The IPDS shall, at a minimum, have the capability to detect telephone answering machines and leave messages; detect and document disconnected telephone numbers; call back busy telephone number signals; redial telephone numbers at multiple times and at various times of the day and week; and automatically transfer calls to a live operator with pertinent data screens displayed for the TCC which highlights the purpose of the outgoing call.
- E. Use an integrated Call Tracking Information process, which shall include a call recording process to record and index all TCC calls received or placed at any time, a call traffic management process, a staffing management process, and an operation that allows the caller's Medi-Cal eligibility records to be available at all times. The call recording system shall index recordings by date and time of call, workstation identifier, and TCC staff identifier. The call tracking process shall include the following information, at a minimum: date and time of call, TCC staff identifier, workstation identifier, beneficiary Client Identification Number (CIN), beneficiary name, beneficiary county of residence, beneficiary aid code status (mandatory or voluntary), beneficiary plan enrollment status, reason for call (selected from an established list of categories), if help was given in completing a Choice Form, disposition of call (selected from a list of categories), and space for additional information.

1.4.2 TELEPHONE CALL CENTER STAFF

- . Ensure that TCC staff shall:

1. Be available to accurately and timely answer all callers' questions in English and all threshold languages as determined by the CDHS, provide non-threshold language translation through a language translation service, and services for those that are hearing-impaired.
2. Be able to resolve complex problems related to the HCO Program based on a solid knowledge of the regulations, policies, and procedures of the Medical managed care medical and dental programs.
3. Be able to answer HCO Program enrollment and disenrollment questions and status.
4. Be able to answer HCO Program exception to enrollment questions and status.
5. Be able to provide (through placing an order for or the like) HCO informing materials to applicants, beneficiaries and other interested parties as requested, and verbally through the IVR process and on-hold messaging.
6. Ensure that TCC staff answer questions and resolve issues in a manner that meets or exceeds the requirements and standards appearing in the CDHS TCC Policies and Procedures Manual. as directed by CDHS.
7. Ensure that the TCC staff are available to answer telephone calls during the times and days stated above, unless stated otherwise in this section.

1.4.3 TELEPHONE CALL CENTER STANDARDS

- A. Ensure that all recorded information is available in all threshold languages, as determined by the CDHS, and available by teletype for the hearing-impaired.
- B. The TCC staff shall also provide presentation site information and information regarding the consequences of not actively choosing a health plan(s).
- C. Ensure that TCC staff contact mandatory beneficiaries who have not returned an accurate and complete Choice Form within ten (10) calendar days from mailing of the Intent to Assign (IA) letter and HCO Informing Materials packet. Ensure that TCC staff contact beneficiaries/entities that submit incomplete/inaccurate Choice Forms and/or other enrollment form in order to obtain a complete/accurate form. TCC staff shall assist these beneficiaries in the following, but not limited to:
 1. Understanding their health care options.
 2. Instructing the applicant/beneficiary on completing the Choice Form and returning it to the Contractor, by faxing or emailing it to the Contractor, and then securely mailing it to the Contractor's main operating facility.; or
 3. Completing the Choice Form per the caller's directions and mailing the completed Choice Form, using a secure, traceable shipping mode (e.g.

Registered Mail), to the caller for their original signature and instructing the beneficiary to follow up by securely mailing the original form to the Contractor.

The TCC staff shall attempt no less than five (5) telephone calls to the beneficiary/entity in question, seeking the beneficiary/entity to submit their completed Choice Form and/or other enrollment form to the Contractor, or to complete the Choice Form and/or other enrollment form for the applicant/beneficiary based on the information gathered during the telephone call and to send it to the applicant/beneficiary for signature, if the valid signature is missing. The Contractor shall complete the five (5) attempts within the five (5) business days of 1) ten (10) calendar days notice of the IA letter mailing, or 2) receipt of an incomplete/inaccurate form. If the applicant/beneficiary in question states, either verbally or in writing, that they do not wish to be contacted via telephone, the Contractor shall note this request in their system, and cease calling the applicant/beneficiary immediately.

- D. Ensure that a Telecommunications Device for the Deaf (TDD) telephone line is made available at all times to provide services to hearing-impaired callers. A non-automated TCC agent is only required to support the TDD line during normal business hours as the messaging system for the TDD line shall be available after normal business hours.
- E. Ensure that during non-business hours callers have the capability to leave voice mail messages. Voice mail messages shall be returned within one (1) business day.
- F. Ensure that the TCC telephone system, the IVR process, the BIT process, IPDS, Integrated Call Tracking Information process and it's related functions, ~~do not experience unscheduled downtime that exceeds one-half hour per week on average for any given month, per system~~ shall be available for the conduct of all HCO Program Operations under the terms of this Contract at least ninety-eight percent (98%) of the total time between the hours of 7:00 AM and 6:00 PM Pacific Time, Monday through Friday, excluding State holidays, as determined by a weekly average of five (5) business days over the course of each one (1)-month reporting period. In the event any of the above systems experience unscheduled downtime, the Contractor shall:
 - 1. Notify an on-duty CDHS HCO Program manager and the Medi-Cal Information Security Officer (ISO), either by telephone or in an in-person meeting, of any unscheduled downtime affecting the applicant/beneficiary toll-free telephone lines, BIT process and/or Call Tracking Information process within one (1) hour of the incident, or as soon as the Contractor is aware of the interruption. This notification is to be followed by written documentation, using either the Problem Correction System (for problems over which the Contractor has control), or the Incident Reporting System (for incidents over which the Contractor has no control). As soon as the cause and projected duration of the unplanned interruption is known, the Contractor shall provide that information within one (1) hour, either by telephone or in an in-person meeting to an on-duty CDHS HCO Program manager. The CDHS will

- provide the Contractor with a list of CDHS HCO Program managers to be notified following a service interruption(s).
2. Within twenty-four (24) hours of reactivating the affected system following completion of repairs, notify an on-duty CDHS HCO Program manager and Medi-Cal ISO in writing. The Contractor shall provide a description of all areas impacted, the measures taken to correct the problem or incident and what additional measures have been put into place to prevent the problem or incident from recurring within the appropriate Problem Statement documents (Interim Response, Corrective Action Plan, and Closure Notice) as specified in Exhibit A, Attachment II, Section 5, Problem Correction Process.
 3. Notify affected Contractor staff and an on-duty CDHS HCO Program manager and Medi-Cal ISO via e-mail of any planned system interruption, shutdown, or file non-access, at least three (3) business days prior to the scheduled interruption, and obtain written CDHS approval and Medi-Cal ISO of such scheduled interruption prior to implementing the shutdown.
 4. Document, at a minimum, the date, time and duration of all downtime occurrences in the appropriate status reports on a daily and weekly basis. The same documentation shall be provided on a monthly basis but shall also include descriptions of the problem or incident's resolution and a Corrective Action Plan to prevent recurrences.
- G. Ensure that all calls are answered within three (3) rings (a call pick-up system that places the call in a queue may be used).
- H. Ensure that no more than one call per TCC staff is in queue at any one time;
- I. Ensure that hold time (the time callers spend on TCC staff-initiated hold) shall not exceed one (1) minute per call without the expressed consent of the caller. Average hold times overall for calls shall not exceed two (2) minutes. Rather than extend hold times beyond two (2) minutes, TCC staff shall arrange to call the caller back.
- J. Ensure that combined in-queue and hold time does not exceed six (6) minutes per call when averaged over all calls in the reporting period. In-queue time begins when the IVR system finishes delivering the greeting message and ends when a TCC staff or voice mail answers the call.
- K. Ensure that callers, after three (3) minutes in-queue, shall have the option to either leave a voice mail or continue to stay in-queue. Calls that have been in-queue for five (5) minutes shall be directed to voice mail.
- L. Ensure that the average weekly referral to voice mail shall be no more than two percent (2%) if the call volume for that week falls below 25,000. If the call volume for that week exceeds 24,999, then the average weekly referral to voice mail shall be no more than five percent (5%).
- M. Ensure that all voice mail messages received before 4:50 PM during business days shall be returned within the current business day. All voice mail messages

received after 4:00 PM during business days shall be returned by 12:00 PM the following business day. All voice mail messages received during non-business days shall be returned before 4:00 PM the following business day.

- N. Ensure that the average weekly abandonment rate for English and Spanish shall be no more than five percent (5%) if the combined call volume for these two (2) languages for that week falls below fourteen-thousand and one (14,001). If the call volume for that week exceeds fourteen-thousand (14,000), then the average weekly abandonment rate for all languages shall be no more than seven percent (7%).

Ensure that the average monthly abandonment rate for all remaining threshold languages shall be no more than five percent (5%) if the combined call volume for these remaining threshold languages for that month falls below six-thousand seven-hundred fifty-one (6751). If the call volume for that month exceeds six-thousand seven-hundred fifty (6,750), then the average monthly abandonment rate for all remaining threshold languages shall be no more than seven percent (7%).

A call shall be considered abandoned when a caller chooses to disconnect after hearing the IVR system greeting and spending twenty (20) seconds or more in-queue without being connected to a TCC staff.

- O. Ensure that the average weekly number of incoming calls that are blocked (calls receiving a busy signal) shall be no more than five percent (5%) if the call volume for that week falls below 25,000. If the call volume for that week exceeds 24,999, then the average weekly number of incoming calls that are blocked shall be no more than seven percent (7%).
- P. Implement the use of temporary phone messages during un-scheduled telephone downtime within two (2) minutes of the interruption.
- Q. Implement all CDHS requests for TCC temporary phone messages within twenty-four (24) hours of the request. TCC phone messages shall be implemented during all State holidays and during non-business hours.

1.4.4 TELEPHONE CALL CENTER MONITORING

The Contractor shall:

- A. Provide the CDHS with the necessary access to monitor all live and recorded incoming and outgoing TCC calls. Provide two (2) telephone lines with the capability to monitor live calls and listen to recorded calls. Locations for these lines shall be determined by the CDHS. The CDHS shall also have access to the Contractor's call tracking and call recording systems from designated workstations on the CDHS internal network.
- B. Provide the CDHS with unrestricted read-only access to all calls recorded by the Contractor, as well as to all records in the BIT and Call Tracking Information System.

- C. Maintain three (3) sets of CDHS-approved, updated TCC reference manual and telephone script control binders or automated technology to provide this information. The information shall be maintained at each of the following locations: The Contractor's main operating facility, telephone supervisors' desks, and the CDHS HCO Office. A control list of all current reference materials shall be kept in each binder or automated technology. The Contractor shall update the material in all control binders or automated technology within one (1) business day following receipt of the CDHS written approval of the changes to that material.
- D. Create a Caller Satisfaction Evaluation Tool. The Contractor shall:
1. ~~Mail-Contact, using~~ the CDHS-approved tool, ~~to~~ an available randomly selected population of TCC callers to enable them to evaluate the effectiveness of the TCC information provided.
 2. Maintain copies of completed satisfaction tool for six (6) months, filed by county, by language, and by date. The Contractor shall retain these copies at its main operating facility, and make available to the CDHS upon request.
 3. Provide a quarterly report to CDHS on the satisfaction findings.

1.5 EDUCATION AND OUTREACH

An important goal of the Health Care Options (HCO) Program is to provide every Medi-Cal applicant/beneficiary, who shall be required or is eligible to enroll in a medical and/or dental plan under the Medi-Cal Managed Care Program, with the opportunity to receive a face-to-face presentation describing that individual's rights and enrollment choices as well as a fundamental introduction to the managed health care delivery system. The primary objective of the HCO presentation is to educate applicants/beneficiaries to make an informed plan choice. An effective education program ultimately increases the number of potential eligible enrollees who choose a plan prior to or during the informing process, thereby avoiding auto-assignment (default assignment) to a plan. The Contractor shall use Contractor ESR staff to conduct the presentations, unless the use of other personnel is authorized by the Contracting Officer, while subcontracting with County Department of Public Social Services (DPSS) to provide space for the presentations, and/or it may subcontract with other organizations, such as community-based organizations (CBOs), to conduct and provide space for the presentations. However, the Contractor shall be responsible, no matter who conducts the presentation, for the quality, accuracy and timeliness of the presentations, and for ensuring that they are conducted in a manner that is secure and meaningful to applicants/beneficiaries, with a goal aimed at maximizing beneficiaries' choice rates, thereby minimizing the default enrollment rate as well as increasing enrollment of the voluntary population.

Past experience has demonstrated that applicants/beneficiaries who attend presentations as part of the eligibility determination process, or soon thereafter, make a choice of health plan more frequently than those who do not. For this reason, the Contractor is encouraged to work directly with county DPSS departments to ensure that presentations can be conducted in close proximity to the locations of the face-to-face Medi-Cal eligibility interviews.

If an individual applies for Medi-Cal at a DPSS facility where HCO presentations are conducted on site, the eligibility worker has been requested to refer that individual to the HCO presentation. If an individual does not choose a health plan after attending an HCO presentation, whether it is because an HCO presentation was not offered at the time/date the individual was at the DPSS, or because they choose not to make a choice at the time of the HCO presentation, that individual shall be sent an appropriate informing packet when they are determined eligible.

The Contractor shall:

- A. Use Contractor ESR full-time equivalents (FTEs) to conduct the HCO presentations, unless the use of other personnel (such as staff supplied by a subcontractor) is approved by the CDHS. The Contractor shall enter into a Memorandum of Understanding (MOU) with DPSS or CBOs to provide space for these presentations.
- B. Employ beneficiary evaluations, reports, and monitoring of ESRs to ensure the quality, accuracy and timeliness of the HCO presentations.
- C. Ensure HCO presentations are conducted in a manner that is secure and meaningful to applicants/beneficiaries as evidenced by the successful response rates documented in the ESR Observation/Evaluation tools, as required in the ESR Observation/Evaluation Tool section below.
- D. Ensure all presentations are written and delivered so as to further the Education and Outreach goal of maximizing beneficiary health plan choice rates.
- E. Work directly with the DPSS facilities to ensure that presentations are conducted in close proximity to the locations of the face-to-face Medi-Cal eligibility interviews.

The Contractor shall make all necessary arrangements to conduct HCO presentations. These arrangements shall include, but shall not be limited to, the requirements as stated in the sections below.

1.5.1 PRESENTATION SITES

The goal of the Presentation Site selection process is to identify and secure sites that ensure the highest attendance rates for all cultural and linguistic groups of Medi-Cal applicants/beneficiaries.

1.5.1.2 PRESENTATION SITE SPACE AND STAFFING PLAN IMPLEMENTATION

- A. Once the CDHS has approved the Presentation Site Space and Staffing Plan, as identified in Exhibit A, Attachment I, Takeover Section 1.10.4.1, the plan shall guide the Presentation Site identification and establishment process.
- B. During the Operations phase of this Contract, the Contractor shall continue to maintain and update the plan, adding or deleting sites as appropriate to ensure

that the goal of identifying and securing sites that ensure the highest attendance rates for all cultural and linguistic groups of Medi-Cal applicants/beneficiaries is achieved. The Contractor is encouraged to hold presentations at County DPSS facilities wherever possible. The Contractor shall make a proactive effort to work with advocacy groups, CBOs and County DPSS offices to determine appropriate Presentation Sites on an ongoing basis. All proposed changes to the plan shall:

1. Identify new Presentation Sites and/or sites to be closed.
 2. Estimate the site staffing impacts of the proposed plan change; all staffing estimates shall examine ESR staffing needs by threshold language requirements.
 3. Provide a narrative justification for the proposed site change(s).
 4. Provide an analysis of the cost-effectiveness of the proposed change(s), based on site productivity expectations for the new site and/or the site targeted for closure.
 5. For a new site, provide either evidence that space has been obtained, or a plan and a time frame for obtaining the space.
 6. Assure that all requirements for sites, as listed in Section 1.5.1.2 B above, are satisfied.
- C. The Contractor shall execute an MOU for each facility to be used as a Presentation Site.
- D. In keeping with the approved plan, the Contractor shall consider space and geographic limitations, including convenience of the site to applicants/beneficiaries in terms of transportation, parking and access.
- E. For new Presentation Sites, the Contractor shall conduct a site evaluation prior to requesting CDHS approval. To obtain approval the Contractor shall:
1. Submit a site evaluation and any other documentation necessary to determine the appropriateness of the proposed site. Sites shall be evaluated by the criteria developed in the space plan.
 2. Submit a written request for site approval to the CDHS thirty (30) business days prior to its proposed use (unless special circumstances preclude a thirty (30) business day submittal and the CDHS approves an alternative timeframe).
- F. Unless the CDHS has placed a limit on the number of FTEs allowable, sites shall be sufficiently staffed to ensure that all demand for presentations and customer service sessions is met.
- G. On an ongoing basis, the Contractor shall provide or arrange to obtain appropriate furniture, equipment, office supplies, electrical outlets and electronic

communication devices where HCO presentations may occur. Presentation Sites should be equipped with telephones, Facsimile equipment (a fax machine), and Internet connectivity if available.

- H. The CDHS may require the Contractor to provide its ESR with business cards listing the ESR phone number for distribution to applicants/beneficiaries.

1.5.2 PRESENTATION SITE STAFFING REQUIREMENTS

The Contractor shall use ESR FTEs to conduct the HCO presentations. These ESRs shall, at a minimum:

- A. Speak, read, and write English fluently and be capable of being easily understood.
- B. Have presentation and/or public speaking experience (teaching, marketing, community outreach and education, or public relations experience is desirable).
- C. Have experience working with low-income and diverse populations.
- D. Speak, read and write in any threshold language at a level readily understandable by the applicants/beneficiaries to whom they are providing service.
- E. Be capable of presenting the required information and materials interactively and in a culturally and linguistically competent manner that readily lends itself to comprehension and retention by the beneficiaries being served.

1.5.2.1 PRESENTATION SITE STAFFING LEVELS

- A. The CDHS may revise, with the Contractor's assistance, the number of ESR FTEs by county. This staffing level determination will be based on factors including, but not limited to the:
 - 1. Number and location of presentation sites.
 - 2. Number of potential beneficiaries attending presentations.
 - 3. Length of presentation.
- B. If the CDHS instructs the Contractor to decrease the number of ESRs in a county, the Contractor shall have forty-five (45) calendar days to implement that decrease. Following a request by the CDHS to increase the number of ESRs in a county, the Contractor shall have up to sixty (60) calendar days to achieve that increase, unless otherwise directed by the CDHS.

1.5.2.2 PRESENTATION SITE STAFFING SUPERVISION

The ratio of ESR FTE supervisors to ESR FTE positions, developed during Takeover, shall be no less than 1:8 (eight ESR FTEs to every one ESR supervisor). The Contractor shall, at a minimum, employ one (1) State-wide Field Operations Manager, one (1) Regional Manager in Northern California, one (1) Regional

Manager in Central California and one (1) Regional Manager in Southern California. If the CDHS adjusts the number of ESR FTEs during the term of the Contract, the Contractor shall retain the ratio of ESR FTE supervisors to FTE ESR positions at no less than the required 1:8 as stated above.

1.5.2.3 PROHIBITION ON OTHER DUTIES

Without written authorization from the CDHS, the Contractor shall not require ESRs or ESR supervisors to perform any functions under the terms of this Contract, except those specified in the above Section 1.5, Education and Outreach. This prohibition includes work relating to the re-bid of the Contract and similar business proposal work.

1.5.3 PRESENTATION SITE MONITORING

- A. The Contractor shall monitor and evaluate the effectiveness of each Presentation Site on a quarterly basis and shall report monthly to the CDHS on each site monitored.
- B. The Contractor shall adhere to the Presentation Site productivity standard established by the CDHS to determine if a site is underutilized by applicants/beneficiaries. This productivity standard shall be subject to periodic review and revision by the CDHS.
- C. In an effort to increase Presentation Site productivity, the Contractor shall evaluate and consider adjusting times and dates of ESR coverage, and language availability.
- D. The Contractor shall recommend to the CDHS site closure if, in applying the presentation site productivity standard, a site is determined to be underutilized. Upon CDHS approval of a recommended site closure, the closure shall be reflected in the monthly presentation schedule submitted in accordance with the above Section 1.5.1.2, Presentation Site Space and Staffing Plan Implementation.
- E. If the CDHS determines that a site is underutilized and/or unproductive, it shall notify the Contractor of that finding in writing. Within thirty (30) business days of receiving such notification, the Contractor shall discontinue using the specified site.
- F. The CDHS reserves the right to close a Presentation Site for reasons other than underutilization.

1.5.4 CONDUCTING HCO PRESENTATIONS

- A. The Contractor shall conduct HCO presentations for beneficiaries with mandatory and voluntary aid codes, and for Medi-Cal applicants whose eligibility status has not yet been determined. In addition, the Contractor shall assist any person who does not attend a presentation, but who has questions about Medi-Cal managed care, or Medi-Cal managed care enrollment. The assistance provided can

consist of specific information, which ESRs are permitted to provide, and/or referrals to other information sources such as county eligibility workers.

- B. The Contractor shall adapt the presentations to each County DPSS intake application process, and to the re-determination process in counties where fee-for-service is an option.
- C. The Contractor shall assign ESR to conduct presentations using CDHS-approved scripts and materials, in a manner that accommodates county intake schedules, policies and procedures, and/or arrangements agreed to among the Contractor, the county, and the CDHS.
- D. The Contractor shall conduct presentations in all Two-Plan Model, Geographic Managed Care (GMC) and voluntary enrollment counties, as specified by the CDHS.
- E. All HCO presentations shall be conducted in a manner that is interactive, consistent, effective, and culturally and linguistically competent. Presentation content and delivery shall be designed to make the information presented as meaningful as possible to Medi-Cal applicants/beneficiaries. Presentations shall:
 - 1. Be given by ESRs who are knowledgeable about Medi-Cal and Medi-Cal managed care, and who are capable of presenting in a manner that maximizes comprehension and retention by the applicants/beneficiaries being served.
 - 2. Follow the HCO presentation scripts, without reading or reciting them verbatim, at all times remaining fair and unbiased, and not favoring one health plan over another.
 - 3. Make effective use of non-electronic and electronic audio and visual communication media such as videos, overheads, computer presentations, and recordings when such enhancements have been approved by the CDHS.
 - 4. Employ other presentation enhancements, as approved by the CDHS.
- F. The Contractor shall maintain Presentation Sites and conduct presentations in the HCO Program counties. Over the course of this Contract, however, the number of counties in which the Contractor may be required to maintain Presentation Sites and to conduct presentations could decrease or increase, as determined by the CDHS. If presentations are to be discontinued in any existing managed care counties or implemented in any new managed care counties, the CDHS shall provide the Contractor with written notification of the change a minimum of sixty (60) calendar days before presentations are to begin or forty-five (45) calendar days before presentations are to end, unless otherwise directed by the CDHS.
- G. The Contractor shall provide presentations according to the CDHS specifications, using scripts and/or visual aids approved by the CDHS. The HCO presentation shall include, but shall not be limited to:

1. Information designed to help applicants/beneficiaries understand how to complete a Choice Form and ESR assistance with form completion.
 2. A description of the full range of the Medi-Cal health care options available to each beneficiary. The emphasis shall be placed on the available managed care options and their benefits.
 3. A description of the services covered under the Medi-Cal program.
 4. A description of all available managed care plans in the areas where applicants/beneficiaries reside, and the area, by zip code, each plan serves.
 5. A description of the applicant/beneficiary's enrollment and disenrollment rights and responsibilities.
 6. Responses to questions from applicants/beneficiaries concerning the health care options available to them.
 7. A description, as directed by the CDHS, of other available services (e.g., Healthy Families).
- H. The Contractor shall maintain comprehensive presentation attendance records. The identities of all attendees shall be recorded and monthly summary reports on presentation attendance submitted to the CDHS.
- I. The Contractor shall provide presentations in the threshold languages approved by the CDHS. The approved threshold language list is subject to periodic revision by the CDHS. Language thresholds are established at the county level. The Contractor shall provide presentations in English and in all non-English languages that meet county thresholds language standards.
- J. ESRs shall assist hearing and/or visually impaired applicants/beneficiaries to understand their health care options.
- K. The CDHS may require the Contractor to alter HCO presentation scripts periodically, but no more than three (3) times annually, by county. If the CDHS requests a change to a script, the Contractor shall make the required modifications and submit the modified script to the CDHS no later than seven (7) business days from the date of the CDHS request, or as otherwise instructed by the CDHS.
- L. The Contractor shall explore the feasibility of subcontracting with culturally appropriate agencies or programs to perform education, outreach and enrollment functions. These RFPs/Request For Applications (RFAs) shall require innovative strategies to increase enrollments. All such subcontracts shall be reviewed and approved by the CDHS, in writing, prior to implementing the subcontract. The subcontractor would be paid via a flat rate.
- M. Choice Forms completed accurately and signed by applicants/beneficiaries shall be collected daily and securely mailed to the Contractor's main operating facility. The original Choice Form shall be shipped to the Contractor's main operating

facility, in the timeframe required by this Contract, using a secure, traceable shipping mode (e.g. Registered Mail). Forms transmitted from Presentation Sites in this manner are to be processed and filed in accordance with the provisions found in Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing.

- N. At sites where ESRs receive written referrals from DPSS and CBO personnel which include client telephone numbers, the ESR shall contact, via the telephone within two (2) business days of receipt of the referral information, those clients who fail to attend a presentation and/or complete a Choice Form.

1.5.5 SCHEDULING PRESENTATIONS

The Contractor shall schedule group and individual HCO presentations at various locations within counties to ensure that presentations are available to applicants/beneficiaries during their Medi-Cal application and eligibility determination processes, and/or their enrollment choice period (following receipt of an HCO Program informing packet).

- A. On a monthly basis, the Contractor shall submit to the CDHS the proposed HCO presentation schedules for the next month. Presentation schedules shall be:
 - 1. Submitted no later than the tenth (10th) calendar day of the month preceding the month in which the presentations are to occur (e.g., January 10 for the February schedule).
 - 2. Approved by the CDHS prior to implementation.
 - 3. County specific and contain dates, times, language availability, and addresses for all sites where presentations are available within each county.
 - 4. Delivered to every active Presentation Site no later than three (3) business days prior to the month to which the schedule applies.
- B. The Contractor shall create and maintain presentation schedules in binders for the use of CDHS staff. The presentation schedule binder shall be maintained at a location specified by the CDHS. The Contractor shall update this binder within three (3) business days of receipt of the most current approved and printed presentation schedule.
- C. The Contractor shall mail CDHS-approved presentation schedules to Presentation Sites, health plans, advocate groups, CBOs and Medi-Cal Managed Care Division on a monthly basis, as specified by the CDHS.
- D. The Contractor shall conduct all scheduled presentations and shall not revise the presentation schedules without prior approval from the CDHS.
- E. The Contractor shall develop a plan for back-up coverage to address staff absence, as well as increased enrollment activity, and shall ensure that back-up personnel are provided so there is no disruption in HCO presentations. If, for any

reason, the Contractor cannot conduct a scheduled presentation, the Contractor shall:

1. Inform its TCC staff within one (1) hour.
 2. Inform the CDHS of the change within one (1) hour.
 3. Notify the site administration (i.e. County DPSS and CBO's) of the change within one hour.
- F. The Contractor shall notify the CDHS through an electronic fast alert process within one (1) hour of the time the Contractor learns that any presentation did not or will not take place. The Contractor shall inform the CDHS of this failure in writing within three (3) business days of the electronic notification, and shall include a Problem Statement. (See Exhibit A, Attachment II, Section 5, Problem Correction Process.)

1.5.6 PRESENTATION MATERIALS

In cooperation with the CDHS, and counties in which presentations are conducted, the Contractor shall:

- A. Ensure that the most current CDHS approved informing packets and other appropriate materials are available for use and distribution at each presentation site. Materials shall be distributed to the appropriate Presentation Sites within ten (10) business days of the date the Contractor receives the approved printed material.
- B. Submit to the CDHS for review and approval all proposed procedures, materials and forms that are developed during HCO Operations that are to be used for HCO referrals and presentations. These materials shall be submitted at least sixty (60) calendar days prior to their proposed implementation and distribution, unless otherwise directed by the CDHS.

1.5.7 PRESENTATION MONITORING

All presentations shall be open to authorized federal, State, and county personnel. All presentations and Presentation Sites are subject to CDHS staff evaluation, with or without prior notification to the Contractor, and the CDHS retains the authority to notify the Contractor of any deficiencies. Within ten (10) business days of receipt of this notification, the Contractor shall demonstrate that reported deficiencies have been corrected. Certain deficiencies will also require the submission of a Problem Statement (See Exhibit A, Attachment II, Section 4, Quality Management Program).

1.5.7.1 ATTENDEE FEEDBACK EVALUATION TOOL

The Contractor shall:

- A. Make the approved tool available at each Presentation Site to enable applicants/beneficiaries and other attendees to evaluate the presentation in a

confidential manner.

- B. Maintain copies of completed evaluations for six (6) months, filed by county, by Presentation Site, and by date. The Contractor shall retain these copies at its central operating facility, and make available to the CDHS upon request.
- C. Provide a quarterly report on the evaluation findings.

1.5.7.2 ENROLLMENT SERVICES REPRESENTATIVE OBSERVATION/ EVALUATION TOOL

- A. Using the CDHS-approved ESR Observation/Evaluation tool submitted during Takeover, ESR supervisors shall monitor and evaluate one presentation per ESR at least once per month for ESR with less than one year's experience and quarterly for those with more than one year's experience.
- B. If the Contractor's ESR supervisor observes a problem with a specific ESR presentation, the supervisor shall initiate a corrective action, and monitor the ESR performance no less often than weekly until corrective action has been taken and the problem has been resolved.
- C. The Contractor shall maintain a ninety-eight percent (98%) positive response rate for all ESR Observation/Evaluation tools received each month.

1.5.7.3 RETENTION/MODIFICATION OF EVALUATION TOOLS

- A. The Contractor shall maintain copies of the completed Attendee Feedback Evaluation tool and the ESR Observation/Evaluation tool for six (6) months, filed by county, ESR and month of observation/evaluation. The Contractor shall retain these forms at its central operating facility, and shall provide a monthly report summarizing each ESR evaluation and performance.
- B. If the Contractor wishes to modify the Attendee Feedback Evaluation and/or ESR Observation/Evaluation tool, the proposed modifications must be submitted to the CDHS for written approval. Changes shall only be implemented following CDHS approval.

1.5.8 OUTREACH AND ENROLLMENT ASSISTANCE SESSIONS

The Contractor shall be responsible for the following outreach and enrollment assistance activities:

- A. Consistent with paragraph B below, the Contractor shall submit to the CDHS for approval the locations for outreach and enrollment assistance sessions, such as regional centers, senior service centers, community centers, community meetings, health fairs, Women, Infants and Children (WIC) nutrition sites, churches, festivals and events sponsored by CBOs. The Contractor is encouraged to seek approval (as specified below) to attend any and all events that are likely to be attended by potential Medi-Cal managed care enrollees, regardless of whether those events occur during normal business hours.

- B. The Contractor shall submit to the CDHS for prior approval, a monthly outreach event schedule of all outreach sessions it proposes to attend. This schedule shall be submitted on the tenth (10th) calendar day of the month preceding the proposed outreach sessions. The Contractor may request expedited approval to attend outreach events that were not included in the approved monthly outreach event schedule. An example of an outreach session that would require an expedited approval would be late notification to the Contractor by organizers of an event. At a minimum, all monthly outreach event schedules and requests shall include:
1. The name of the ESR or other Contractor representative who will be attending the event.
 2. The organization sponsoring the event and the general purpose of the event (e.g., Women's Health Week).
 3. The location of the event.
 4. The date and time of the event.
 5. The anticipated number of applicants/beneficiaries attending, if known.
- C. At the CDHS direction, the Contractor shall attend special events or forums identified by the CDHS.
- D. The Contractor shall prepare an interview guide for use by ESR and other Contractor representatives conducting outreach and enrollment assistance sessions.
- E. The Contractor shall submit the interview guide to the CDHS for approval prior to use by the ESR and other Contractor representatives for outreach and enrollment assistance sessions.
- F. The Contractor shall report to the CDHS outreach enrollment activity data monthly.

1.6 RESEARCH

The Contractor shall conduct research to investigate complaints and/or grievances associated with mandatory and/or voluntary participation in the HCO Program that are raised by applicants, beneficiaries and other interested parties either in writing, by telephone or in person, or who have been referred by the TCC staff, ESR and/or the CDHS. Inquiries, complaints and/or grievances that are not resolved by the TCC staff on the date the call is received or returned due to receipt of a voice message, shall be referred for further research, investigation and response.

The Contractor shall:

- A. Ensure that beneficiaries and/or their authorized representatives have the ability

to request information on how to file a complaint/grievance against their health plan(s) via the toll-free telephone number or by written communication. Complaints received by the CDHS may be referred to the Contractor for research and resolution.

- B. Immediately forward to the CDHS any complaint or grievance that may pose a serious and immediate threat to a beneficiary's health and welfare.
- C. Forward any complaints about the Contractor's HCO Operations to on-site CDHS Contract administration staff, as determined by the CDHS. Subsequent action on such complaints shall be determined by the CDHS. The complaint/grievance requirements that follow shall not apply to complaints about the Contractor's HCO Operations.
- D. Ensure all complaint and grievance procedures are initiated within three (3) business days of receipt or, if not the responsibility of the Contractor, referred to the proper entity for resolution. Complaints and grievances to be resolved by the Contractor will be completed within thirty (30) days of receipt.
- E. Ensure that the identity of those submitting complaints is protected unless the complainant provides written or audio approval to reveal his or her identity. If the person submitting the complaint, or that person's representative, requests anonymity, that request shall be honored. The person submitting the complaint or that person's representative shall be informed, however, that anonymity cannot be guaranteed if the CDHS, or other duly authorized federal or CDHS entity, accesses the Contractor's records.
- F. Conduct an investigation and complaint resolution. Ensure all involved parties are contacted to ascertain relevant facts.
- G. For each issue that the Contractor staff can resolve without outside assistance:
 - 1. Provide the necessary assistance and/or information to the complainant within three (3) business days of initiation of complaint and/or grievance procedures.
 - 2. Within ten (10) business days of resolution of the matter, issue to the complainant written documentation of the specifics of the issue, to include, but not be limited to:
 - a. A summary of the problem.
 - b. A description of the resolution reached.
- H. For each issue that the Contractor cannot resolve without outside assistance, formally refer to the appropriate outside entity as directed below, for investigation and resolution.
 - 1. If the problem is associated with eligibility:

- a. Refer the complainant to their DPSS office.
 - b. Ensure that the complainant is informed of their right to request a hearing. If the complainant requests information about the hearing process, refer the complainant to the California Department of Social Services (DSS) State Fair Hearing Division.
2. If the complainant is a member of a health plan(s) and the problem is associated with use of a health plan(s):
 - a. Refer the complaint to the appropriate health plan(s) member services.
 - b. Ensure that the complainant is informed of their right to request a hearing. If the complainant requests information about the hearing process, refer the complainant to the DSS State Fair Hearing Division.
3. If the health plan(s) fails to provide a resolution to the satisfaction of the complainant, refer the complainant to the CDHS MMCD Ombudsman Unit (for medical plan issues), to the CDHS Medi-Cal Dental Services Branch (MDSB) (for dental plan issues), or the California Department of Managed Health Care (DMHC) (for Independent Medical Reviews (IMRs)).
- I. For each beneficiary complaint/grievance issue referred by the CDHS to the Contractor, the Contractor shall provide a written response to the CDHS within ten (10) business days of receipt of the referral. The response shall include, but is not limited to:
 1. The date of the original request
 2. A description of the original issue
 3. The current status of the issue
 4. The findings, resolution and/or recommendation
- J. Create an incident report form for all complaints and grievances received and make all incident reports available to the CDHS, upon request. The incident reports shall be summarized in a log, which shall be provided to the CDHS on a monthly basis as required below. The incident report shall include, but not be limited to, the following:
 1. Date complaint and/or grievance was received. Whether received in writing, by telephone, in person, or from a CDHS entity.
 2. Complainant's name, address, phone number, beneficiary identification number, and name, address and telephone number of authorized representative, if applicable.
 3. Log number of the complaint.

4. Name of involved health plan(s) if complaint involved enrollment issues by a particular plan(s).
 5. Related complaints and their log numbers (related by the fact that the same person has another complaint(s), the complaint is about the same plan(s), etc.).
 6. Nature of the complaint.
 7. Actions taken to research, resolve and respond to the complaint. Actions are to be listed chronologically, by date.
 8. If applicable, name and date the complainant was referred to the MMCD Ombudsman Unit, to the MDSB, or to the DMHC.
 9. A description of the resolution and the date on which resolution was achieved.
 10. Date of complaint or authorized representative was notified of the resolution.
- K. Provide oral interpretative services to all complainants, the MMCD Ombudsman Unit, MDSB, and DMHC for complaints and grievances received, as requested by the CDHS.
- L. Secure information transmission links between the MMCD Ombudsman Unit, MDSB and other CDHS offices as requested by the CDHS.
- M. Contractor shall submit a PS for each issue identified as the result of a complaint/grievance and which indicates the need for a procedure or operational change on the part of the Contractor.
- N. Retain the resulting complaint and grievance records for a period of five (5) years from the initiation of the issue, or for the term of the Contract, whichever is longer, and make available all such records to the CDHS or duly authorized CDHS and/or federal representatives upon request.
- O. The Contractor shall provide the CDHS staff with a designated contact who will be responsible to resolve issues/problems for beneficiaries or other entities that have contacted the CDHS directly.

1.6.1 RESEARCH SATISFACTION EVALUATION TOOL

Using the CDHS-approved Research Satisfaction Evaluation tool submitted during Takeover, the Contractor shall:

- A. Mail the CDHS-approved tool to an available randomly selected population to enable applicants/beneficiaries and other interested parties who have submitted issues and/or concerns to the Contractor for research to evaluate the effectiveness of the research information provided.

B. Maintain copies of completed satisfaction tool for six (6) months, filed by county, by language, and by date. The Contractor shall retain these copies at its main operating facility, and make available to the CDHS upon request.

C. Provide a quarterly report on the satisfaction findings to the CDHS.

1.7 CUSTOMER SERVICE PORTAL

The Contractor shall produce, maintain, and indicate the domain name, with the approval of the CDHS, a site on the World Wide Web that provides general HCO Program information and answers to frequently asked questions. This portal shall provide the ability for applicants, beneficiaries and their authorized representatives to perform health plan and provider searches and to request enrollment assistance from the Contractor, in both English and Spanish language translations. The CDHS retains the right to instruct the Contractor to translate the portal into other threshold languages, as directed by the CDHS.

The Contractor shall:

- A. Review and update the portal to assure that site content is current and accurate at all times. All out-of-date and/or inaccurate information shall be corrected within three (3) business days of notification by the CDHS.
- B. If requested by the CDHS, create links to MMCD participating plans' websites to the HCO Program portal.
- C. Make the portal available seven (7) days per week, twenty-two (22) hours per day. The maximum unscheduled downtime for this interface shall be one-half (1/2) hour per week.
- D. Provide help desk support for technical assistance. The help desk shall be available from 8:00 AM to 5:00 PM Pacific Time, Monday through Friday, excluding State holidays.

The site content and Universal Resource Locator used by the Contractor for the programs are the property of the CDHS. The site application programs are the wholly and completely owned property of the CDHS, unless the application programs are third party proprietary software.

1.8 PROVIDER INFORMATION NETWORK (PIN)

The Contractor shall maintain a Provider Information Network (PIN) listing to include all managed care health plans and their providers that are contracted with the Medi-Cal Managed Care program. The purpose of the PIN is to provide beneficiaries with health plan and provider information.

The Contractor shall:

- 1. Generate all plan and provider listings by medical specialty, zip code, city and county.

2. Calculate distances from any zip code in California, such that all providers located approximately within a specified-mile radius of the zip code can be identified.
3. Provide mapping capabilities and accurate driving directions, based on the publicly available map databases, to any provider site selected by the applicant/beneficiary.
4. Listings of plans and providers produced by the PIN shall be sorted in such a fashion as to not advantage one plan or provider over another.
5. The PIN shall have the capacity to track links between professional and institutional providers by health plan.

2.0 INFORMING MATERIALS

2.1 OVERVIEW

Medi-Cal is a dynamic program that is modified regularly in response to changes within the California Department of Health Services (CDHS), and federal and State legislation, regulation, policies, and judicial decisions. The Medi-Cal Managed Care Program itself also experiences changes due to numerous other factors. Many of the changes that Medi-Cal experiences create the need for new and/or revised Health Care Options (HCO) informing materials. Health plans periodically enter and leave service areas, plan comparison information is regularly updated, new beneficiary groups and service areas are sometimes added to the Medi-Cal Managed Care Program, and the CDHS entities that administer the Medi-Cal medical and dental managed care programs sometimes require existing materials to be revised and/or new materials to be created.

The Contractor shall be prepared, throughout the term of this Contract, to rapidly, efficiently, and accurately revise existing HCO informing materials and create new HCO informing materials, as directed by the CDHS. The materials revision and development process entails editing, updating, creating and translating materials in keeping with instructions and approvals received from the CDHS. In addition, the Contractor shall maintain all existing materials and protect them to ensure that no changes occur to them, inadvertently or intentionally, in the absence of instructions and final written approvals from the CDHS. These requirements apply to all HCO Program informing materials for which the Contractor is responsible to distribute to Medi-Cal applicants, beneficiaries, the CDHS and other interested parties.

This section applies to any and all CDHS-approved written, audio-visual, video, multi-media, web-based/on-line (if an automated process is proposed), or similar materials, regardless of the type of distribution. These requirements shall apply equally to HCO informing materials developed and/or maintained by the Contractor, as well as HCO informing materials developed and/or maintained by the Contractor's subcontractors, if any.

One method by which the HCO Program provides education and enrollment assistance is through the provision of written HCO informing materials provided to applicants, beneficiaries and other interested parties through the mailings program and utilized at HCO Presentation Sites.

The CDHS and the Contractor shall work cooperatively to ensure that the content of all HCO informing materials is accurate and consistent with the CDHS directions. However, the Contractor is responsible for making certain all proofs of new and/or revised materials are one-hundred percent (100%) accurate per CDHS instructions prior to providing the proofs to the CDHS for approval.

Although health plan Provider Directories (PDs) meet the definition of informing materials, not all Contractor requirements as described in this section relating to informing materials apply to PDs. For example, the plans in conjunction with MMCD develop and review PDs, while the Contractor simply prints and mails them as part of

informing packets. Thus, the Contractor is not necessarily responsible for content accuracy.

2.2 OBJECTIVES

The Materials Development and Production, and Mailing Functions requirements in this section shall:

- A. Ensure applicants, beneficiaries and other interested parties are provided accurate, timely and unbiased HCO informing materials to assist in making informed health care choices;
- B. Ensure HCO informing materials are culturally and linguistically appropriate and are at the CDHS-approved reading level;
- C. Ensure visual-impaired, hearing-impaired and other special needs audiences are provided HCO informing material information in formats that provide the most assistance in making informed choices;
- D. Ensure all HCO informing materials are delivered and/or shipped accurately and timely to enable beneficiaries to make informed choices;
- E. Ensure accurate, language-and county-specific HCO informing materials are provided to applicants/beneficiaries;
- F. Ensure all HCO informing materials in all required threshold languages, as directed by the CDHS, are available at HCO Presentation Sites to assist applicants and beneficiaries who speak languages other than English. The Contractor, as directed by CDHS, shall perform assessments by site to determine the most appropriate use of materials based on density of threshold language populations;
- G. Ensure accurate and sufficient inventory of all HCO informing materials are kept in stock; and
- H. Ensure all reusable HCO informing materials are restocked, as directed by the CDHS, when returned as undeliverable.

2.3 ASSUMPTIONS AND CONSTRAINTS

- A. All informing materials maintained, edited, updated, translated and/or developed for use in the HCO Program shall be the property of the CDHS; the Contractor agrees to relinquish all rights to such materials.
- B. Any Post Office Box address used by the Contractor for the purposes of the HCO Program shall be wholly and completely owned property of the CDHS.
- C. All HCO informing materials maintained, edited, updated, translated and/or developed shall be produced in English and all threshold languages, as directed by the CDHS. The Contractor shall subject all English and translated documents

- to continuous and rigorous quality assurance testing, sufficient to ensure all documents are error-free. All HCO informing materials shall be approved in writing by the CDHS before being used in the HCO Program.
- D. The Contractor shall be responsible for the performance of all activities described in this section, whether they are carried out by Contractor staff or by subcontractor(s). Similarly, the Contractor is responsible for meeting all requirements set forth in this section, whether Contractor or subcontractor staff carries out the activities to which those requirements apply.
 - E. For purposes of this Contract, the term “business days associated with mailings” shall be understood to refer to the number of business days that elapse between the receipt of a daily eligibles file from Medi-Cal Eligibility Data System (MEDS), and the date on which HCO informing materials are mailed to the beneficiaries identified in that daily eligibles file. The date on which informing materials are mailed is determined by a postmark or other official date stamp provided by the shipper.
 - F. Within five (5) business days of receiving non-HCO Program related documents, such as checks, birth certificates, Medi-Cal applications, etc., the Contractor shall appropriately forward or route the documents to their respective recipients.
 - G. For mailing purposes, the term “beneficiary” means either an individual or the Medi-Cal head of household (case head).
 - H. HCO Informing materials include, but are not limited to, packets, booklets, notices and postcards.

2.4 MATERIALS DEVELOPMENT AND PRODUCTION

- A. In addition to the requirements listed below, the Contractor shall provide suggestions to the CDHS that may improve the quality of the HCO informing materials and/or the efficiency and timeliness with which they are produced and disseminated.
- B. Accept new HCO informing materials provided by the CDHS and suggested modifications to improve the quality of existing informing materials.

2.4.1 DEVELOPMENT OF MATERIALS

The Contractor shall maintain, edit, update, translate, and develop all HCO informing materials as directed by the CDHS. Development of materials includes, but is not limited to, drafting of content, page layout construction, threshold language translation and review, and quality assurance to ensure that all disseminated documents are free of errors.

2.4.2 SCHEDULE FOR THE DEVELOPMENT OF HCO INFORMING MATERIALS

- A. Within eight (8) business days of receiving CDHS direction to develop new or to revise existing HCO informing materials, the Contractor shall submit a project

- work plan to the CDHS. Once the CDHS reviews and approves the project work plan, the Contractor shall have fifty (50) calendar days to prepare drafts of all new and/or revised materials in English and all threshold languages, and submit them to the CDHS for review and approval. All drafts shall be quality checked by Contractor staff and shall be one-hundred percent (100%) error-free the first time they are submitted to the CDHS.
- B. At the request of the CDHS, the Contractor shall provide expedited development and/or updating of HCO informing materials up to twelve (12) times annually. Under an expedited schedule, the Contractor shall have five (5) business days to submit a project work plan to the CDHS. The Contractor shall have twenty-five (25) calendar days to submit new and/or updated HCO informing materials, including translating of those materials. This time frame can be extended upon CDHS approval for reasons such as delay in draft approvals by CDHS staff. All drafts shall be quality checked by Contractor staff and shall be one-hundred percent (100%) error-free the first time they are submitted to the CDHS.

2.4.3 NEW HCO INFORMING MATERIALS

The Contractor shall be responsible for producing, developing, maintaining, editing, updating, and translating new HCO informing materials, as directed by the CDHS.

The development of new HCO informing materials must conform to the following requirements:

- A. The reading level for all HCO informing materials shall be no higher than the sixth grade, as determined by a commonly accepted scoring mechanism such as Smog, Gunning-Fogg or the Fleisch Readability Index. In the rare circumstance that a section of text must exceed the sixth-grade reading level the Contractor shall consult with CDHS for approval of a mitigating methodology. An example would be the inclusion of a glossary in the specific HCO informing material. All glossary definitions shall be at no higher than a sixth-grade reading level.
- B. All HCO informing materials developed shall be unbiased, culturally sensitive, linguistically appropriate, and error-free in order to assist applicants and beneficiaries in making informed choices.
- C. The Contractor shall assure that all written correspondence is approved by the CDHS in writing prior to use.
- D. The Contractor shall have the ability to produce an image file in a .pdf format document, or a format agreed to by the CDHS, of all sample HCO informing materials and/or correspondence developed and used during the term of the Contract. New HCO informing materials and/or correspondence shall be available in the .pdf file, or the format agreed to by CDHS, at the same time they begin use in mailings.

2.4.4 EXISTING HCO INFORMING MATERIALS

The Contractor shall be responsible for producing, maintaining, updating, editing and translating all existing HCO informing materials. The HCO Data Library contains examples of all existing HCO informing materials, in English versions only.

2.4.5 PRODUCTION OF MATERIALS

The Contractor shall:

- A. Have the option to produce the HCO informing materials required in this Contract or it may arrange for a subcontractor to do so.
- B. Produce all HCO informing materials according to the schedule(s) agreed upon by the CDHS and the Contractor.
- C. Produce, upon demand, all Contractor-produced HCO informing materials, including customized letters, booklets, and pre-printed Choice Forms. Other HCO informing materials which are pre-printed should be maintained at a reasonable inventory level to reduce warehouse size and other costs associated with inventory maintenance.

2.4.6 CONTROL BINDERS

- A. Control Binders shall serve as the repository for official reference copies of all CDHS-approved HCO informing materials currently in production.
- B. The Control Binders shall accurately and comprehensively represent all specific material contents for all mailings of HCO informing materials.
- C. Control Binders shall maintain HCO informing materials for each county served by the HCO Program.
- D. Each Control Binder shall be accessible instantly by the CDHS and by any other party the CDHS approves.
- E. The Contractor shall update the HCO informing materials in the Control Binders within one (1) business day following implementation of CDHS-approved changes to any documents contained in those Control Binders and make those changes available to the CDHS immediately.
- F. A control list of all current HCO informing materials shall be kept in each Control Binder. An historical list detailing the changes made to each document, and the dates on which those changes were made, shall also be kept in each Control Binder.

2.5 MAILING FUNCTIONS

The Contractor shall:

- A. Mail informing materials to Medi-Cal beneficiaries who reside in counties in which Medi-Cal managed care delivery systems (medical, dental, and/or both) are in operation.
- B. On a proactive basis, evaluate any new zip code information provided by the United States Postal System (U.S.P.S.) and make use of the U.S.P.S. Change of Address Database, as it applies to new and existing cases. The Contractor shall also use an address and telephone locator service on a proactive basis as it applies to new and existing cases.
- C. Mail language- and county-appropriate HCO informing materials to Medi-Cal beneficiaries who are designated as having 1) mandatory aid codes (those who are required to enroll in Medi-Cal Managed Care medical and/or dental plan(s), and 2) voluntary aid codes (those who have the option to enroll in a Medi-Cal managed care medical or dental plan(s)), and to HCO Presentation Sites, health plans, and other interested parties, as designated by the CDHS.
- D. Mail HCO informing materials to beneficiaries residing in counties in which managed care delivery systems become operational at any time following the Assumption of Operations under this Contract.
- E. Maintain the CDHS-approved Materials Development and Production, and Mailing Function Plan that was submitted during Takeover, per requirements in Exhibit A, Attachment I, Takeover section of this Contract.
- F. Provide appropriate storage of HCO informing materials, effective and accurate inventory management, maintenance and tracking of HCO informing materials, disposition of returned, re-usable and obsolete HCO informing materials, and retrieval, within three (3) business days, of any sample HCO informing materials requested by the CDHS.

2.5.1 MAILING OF HCO INFORMING MATERIALS

The Contractor is required to mail HCO informing materials within three (3) business days of receipt of the daily eligibles file from MEDS ~~and, the monthly reconciliation files from MEDS and C letters from CDHS instructing any other type of mailings, unless otherwise directed in writing by CDHS.~~

- A. HCO informing materials shall be mailed according to the schedules and within the timeframes specified in this section. Many of the mailings for which the Contractor shall be responsible shall be generated by automated processes that have been developed and implemented by the Contractor following approval by the CDHS. The types of informing materials to be mailed are described in above Section 2.4, Materials Development and Production.
- B. The Contractor shall ensure that all HCO informing materials which are included in all mailings are the most recent CDHS-approved versions of the materials. The range of available HCO informing materials will vary according to, at the least, the county, language, and aid code of the recipient. An HCO informing materials mailing is considered to be “correct” when all such variables correctly

match the corresponding county, language, aid code, etc. in the recipient's MEDS and the Contractor's records, and which match the HCO informing materials in the appropriate Control Binder.

- C. Packets shall be prepared no more than five (5) business days in advance of their actual mailing.

2.5.2 HCO INFORMING MATERIALS MAILINGS

The types of HCO informing materials mailings, as directed by the CDHS, that shall be generated by the Contractor include, but are not limited to:

- A. Initial Informing Mailings. This type of mailing is used to convert current Fee-For-Service counties in which one or more Medi-Cal managed care health plan(s) are to become operational. The HCO informing materials to be mailed shall be designated by the CDHS.
- B. Daily Mailings. Each business day the Contractor will receive records from MEDS that contain information on beneficiaries who are newly eligible for enrollment into Medi-Cal managed care health plans. This information is referred to herein as the "daily new eligibles files".

Details and requirements concerning the structure, function, transmission, and processing of the daily new eligibles file is contained in Exhibit A, Attachment II, Section 10.0, Health Plan Enrollment (HPE) Process. Mailings generated in response to the receipt of daily new eligibles files include, but are not limited to, beneficiaries who:

1. Are newly eligible for Medi-Cal.
2. Have been assigned either mandatory or voluntary aid codes.
3. Reside in a county in which HCO processes Medi-Cal managed care health plan enrollments.
4. Lost Medi-Cal eligibility, were disenrolled from a Medi-Cal managed care health care plan(s) and have subsequently had Medi-Cal eligibility reinstated.

Some daily new eligibles files will contain records for beneficiaries for whom unprocessed Choice Forms are already on file with the Contractor. These Choice Forms are to be held in 'pend' status, called Non-Meds status. Medi-Cal applicants whose eligibility had not yet been determined have submitted these Choice Forms. Upon receiving eligibility information for these applicants (now referred to as beneficiaries) in the daily new eligibles file, the Contractor shall process the Choice Forms on file for them. No informing materials are to be mailed to these beneficiaries, unless requested by the beneficiaries themselves.

The Contractor shall:

1. Update its enrollment solution so that it accurately reflects the contents of the daily new eligibles file.
2. Mail an informing packet to each beneficiary for whom a record exists in the daily new eligibles information record and who do not have a Choice Form pending in 'Non-Meds' status. Unless otherwise specified by the CDHS, daily mailings are to occur within three (3) business days of the date on which the daily new eligibles file was received by the Contractor. Beneficiaries identified in the daily new eligibles information record who have submitted Choice Forms within the previous one-hundred twenty (120) calendar days shall not be mailed a packet. The Contractor shall, instead, honor the choices made on the previously submitted Choice Forms.

2.5.3 RE-INFORMING MAILINGS

At any time during the term of this Contract, new and/or changed health care options may occur in any and/or all Medi-Cal managed care counties and/or service areas. This includes, but is not limited to, the addition and/or deletion of health care plans that were not available when the beneficiary made an initial choice. As directed by the CDHS, the Contractor shall mail updated informing materials to these affected beneficiaries.

2.5.4 MONTHLY RECONCILIATION MAILINGS

The Contractor will receive a monthly MEDS report from the CDHS that shall be used to reconcile the Contractor's enrollment information with MEDS. This reconciliation process will update the beneficiary's demographic information and identify Medi-Cal beneficiaries who are eligible for Medi-Cal managed care plan membership, but are not currently enrolled in a managed care plan(s). These include beneficiaries in mandatory and/or voluntary aid codes. Unless otherwise specified by the CDHS, the Contractor shall mail HCO informing packets to these beneficiaries within three (3) business days of the date on which the monthly MEDS reconciliation process completes, unless a Choice Form is already on file.

2.5.5 ANNUAL RENOTIFICATION MAILINGS

- A. The Contractor shall generate the mailings to both mandatory and voluntary aid code categories in keeping with the requirements contained below in Section 2.5.5.C.
- B. The purpose of annual renotification is to advise beneficiaries of their right to make other health care choices and to identify the choices available to them. Mailings are generated from beneficiary information contained in the HPE Process. All beneficiaries who are enrolled, or who are eligible for enrollment, in a Medi-Cal managed care health plan, including eligible Fee-For-Service (FFS) participants, shall be sent annual renotification notices.
- C. Mandatory and voluntary beneficiaries who have been continuously enrolled in the same health care plan for twelve (12) consecutive months and voluntary beneficiaries who have been in the FFS program for twelve (12) consecutive

months (but who are eligible for Medi-Cal managed care plan enrollment), shall be sent an annual renotification notice or brochure informing them of the choices available to them. Notices are sent at least sixty (60) calendar days prior to the enrollment anniversary date.

- D. Annual renotification notices or brochures shall be sent at the case head level, and shall provide renotification information for all members in the case eligible for enrollment in a managed care plan. The first renotification shall be sent at least sixty (60) calendar days prior to the first anniversary of the case head's enrollment date. If the case head is not enrolled in a plan, a renotification notice shall be sent on the first anniversary of the case head's Medi-Cal eligibility date. Renotification notices shall subsequently be mailed each year on the same anniversary date.
- E. Beneficiaries enrolled in more than one (1) plan type, either medical or dental, shall receive a single renotification notice covering both enrollments. That single notice can be sent on the annual anniversary date of either the medical or dental plan enrollment date, which ever occurs first in the calendar year.
- F. Beneficiaries who receive annual renotification notices may subsequently request HCO informing packets. The Contractor is responsible for fulfilling these requests within three (3) business days from the date the request is received at the Contractor's main operating facility, as described below in Section 2.5.8.

2.5.6 MANDATORY-TO-VOLUNTARY AID CODE STATUS CHANGE MAILINGS

Beneficiaries enrolled in a managed care medical plan and/or dental plan whose aid code has changed from mandatory to voluntary shall be sent a notice to advise them of their new set of health care options.

- A. Mandatory-to-Voluntary notices shall be mailed within three (3) business days from the date on which the Contractor receives an eligibility information record indicating that the beneficiary's aid code status has changed.
- B. Beneficiaries who receive Mandatory-to-Voluntary notices may subsequently request HCO informing packets. The Contractor is responsible for fulfilling these requests within three (3) business days from the date the request is received at the Contractor's main operating facility, as described below in Section 2.5.8.

2.5.7 MASS-MAILING AND/OR SPECIAL MAILING PROJECTS

Mass-mailing [and special mailing](#) projects result from a variety of activities including, but not limited to:

- A. Converting a county(ies) from Medi-Cal FFS to Medi-Cal managed care.
- B. Converting a managed care county(ies) from one managed care model type to another.

- C. Medical and/or dental plan changes, caused by Medi-Cal procurements or by internal plan business decisions.
- D. County eligibility redeterminations.
- E. Selective zip code additions/deletions.
- F. Health plan mergers, acquisitions or terminations.

Mass-mailing and/or special mailing projects may include any combination of postcards, letters, informing packets or other materials, as directed by the CDHS. The CDHS will either provide the Contractor with records containing beneficiary mailing information, or direct the Contractor to generate the records for the mailings.

Mass mailing and/or special mailing projects may target beneficiary groups of any size, up to and including the entire Medi-Cal managed care-eligible population in California. The majority of mass mailing and/or special mailing projects will target the Medi-Cal-eligible population within a single county at one time. The Contractor shall be capable of successfully conducting as many as fifteen (15) mass mailing and/or special mailing projects per calendar year to all Medi-Cal managed care eligibles in an average-sized managed care county.

The Contractor shall work with the CDHS to develop a schedule for each mass-mailing and/or special mailing project. That schedule shall take into consideration the mailing completion date specified by the CDHS, the size of the target population, competing Contractor workload, and the Contractor's mail-generation capacity. The Contractor shall submit a project work plan containing the agreed-upon mailing schedule, to the CDHS for approval within eight (8) business days from the date the CDHS directs the Contractor in writing to undertake the mass mailing project. Upon approval of the project work plan by the CDHS, the Contractor shall implement the mass mailing project as specified in the approved project work plan.

2.5.8 HCO INFORMING PACKET REQUEST MAILINGS

Medi-Cal beneficiaries, applicants and other interested parties may request HCO informing packets either by calling the Contractor's Telephone Call Center (TCC) or by returning a packet request post card from a previous HCO informing materials mailing. The Contractor shall fulfill each such request within three (3) business days of the date on which the request is received at the Contractor's main operating facility, unless otherwise specified by the CDHS.

Upon receiving a packet request, the Contractor shall determine whether a record exists for the requestor in the HPE Process and/or in MEDS. Because the Contractor shall mail HCO informing materials to Medi-Cal applicants as well as to current Medi-Cal beneficiaries, it may not find a record for some requestors. If a record is found the Contractor shall ensure (in keeping with all applicable security and confidentiality requirements) that it has a correct mailing address on file for the requestor. If no address is found in the record the Contractor shall obtain a valid mailing address from the requestor.

2.5.9 OTHER HCO INFORMING MATERIALS MAILINGS

The Contactor shall:

- A. Upon request, provide Choice Forms, with return envelopes, to the health plans. The Choice Forms will only be available in the threshold languages of each particular county in which the health plan operates. Unless otherwise specified by the CDHS, health plan Choice Form requests shall be fulfilled within twenty (20) business days of the date on which the CDHS transmits the request to the Contractor. The Choice Forms provided to health plans shall be traceable as submitted to the Contractor by each individual health plan.
- B. Upon request by the CDHS, mail and/or ship up to ten (10) informing packets, excluding cover letters but including a presentation schedule, to medical plans, dental plans, and/or other interested parties. Such requests shall be fulfilled within three (3) business days of the date on which the CDHS transmits the request to the Contractor.
- C. Fulfill single requests for more than ten (10) informing packets, but less than twenty (20) informing packets, within five (5) business days of the date on which the CDHS transmits the request to the Contractor.
- D. Upon request by the CDHS, deliver as many as ten (10) informing packets, excluding cover letters, to the CDHS at any of its various locations in Sacramento County. Delivery methods and time frames shall be determined according to the specifics of each request.
- E. Each week, pull from production and deliver to the CDHS Medi-Cal Managed Care Division, a sample, excluding cover letter, of each informing packet type for each county for which packets are produced. Informing packet types shall be pulled on a rotational schedule as identified by CDHS. These informing packets shall be subject to quality assurance review.
- F. Ensure that a sufficient number of language-and county-appropriate HCO informing materials are available at all HCO Presentation Sites/locations in all HCO Program managed care counties in advance of presentations. The Contractor, as directed by CDHS, shall perform assessments by site to determine the linguistic requirements of HCO informing materials based on density of threshold language populations.

2.5.10 FULFILLMENT STANDARDS

- A. Informing materials shall be mailed in the CDHS-approved envelopes of sufficient size and strength to accommodate the informing materials.
- B. In accordance with the Quality Assurance Plan contained within Exhibit A, Attachment II, Section 4, Quality Management Program, all HCO informing materials mailed to beneficiaries shall be one-hundred percent (100%) accurate, based upon a comparison of HCO informing materials being mailed to the corresponding HCO informing materials contained in the CDHS-approved Control Binders.

- C. The results of daily informing packet accuracy quality assurance tests shall be available to the CDHS within one (1) business day of the date of request.
- D. Within forty-five (45) calendar days of Assumption of Operations the Contractor shall present to the CDHS an assessment of the current postal rate structure in use for HCO mailings, and the options available, if any, for reducing postage costs. At its discretion, the CDHS may direct the Contractor to present further information on one or more alternatives, direct the Contractor to implement an alternative, or decide to continue operating under the existing rate structure.
- E. For the first two (2) years of the Contract, beginning with January of the first phase of the Contract, the Contractor shall perform a semi-annual assessment of the postal costs of HCO informing material mailings to determine if opportunities exist to lower those costs. In the remaining years of the Contract, this assessment shall be performed annually. The results of each assessment shall be reported to the CDHS in a written report thirty (30) calendar days after the assessment period ends.

2.6 PROCESSING RETURNED MAIL AND ADDRESS CHANGES

The Contractor shall:

- A. When packets, notices and/or other HCO informing materials are returned as undeliverable, within two business days, update the HPE Process to indicate that the corresponding beneficiary mailing addresses are invalid.
- B. If the U.S.P.S. provides a forwarding address, update the applicant/beneficiary's mailing address within the HPE Process and shall, within three (3) business days of receipt of the new address, resend the HCO informing material to the updated address. If the beneficiary is considered mandatory, the Contractor will be responsible for restarting the beneficiary's default timeline. If there is no forwarding address for the applicant/beneficiary, the Contractor shall place a telephone call to the applicant/beneficiary at the telephone numbers listed on the case file or by e-mail, if available, and request updated mailing address information. At least two (2) such contact attempts shall be made. The Contractor shall document the efforts in obtaining an applicant/beneficiary's updated mailing address information and shall flag the case file for the need to obtain updated information should the applicant/beneficiary contact any of the TCC telephone lines. If the mailed HCO informing materials are returned as undeliverable from the updated mailing address, all mailings shall stop until a new address appears on MEDS. The returned materials shall be destroyed if they contain information unique to any beneficiary, and recycled for re-use if appropriate.
- C. Work with the U.S.P.S. to ensure that the Contractor is notified of an applicant/beneficiary's new address in the event that the U.S.P.S. provides the forwarding address.
- D. Remove from the default path mandatory beneficiaries whose addresses have been identified as undeliverable to prevent them from being auto-assigned

- (default- assigned) to a managed care health plan. The auto-assignment (default-assignment) process is only to be used for beneficiaries who receive, but fail to respond, to mailed HCO informing materials.
- E. Unless otherwise directed by the CDHS, mail no materials of any kind to beneficiaries whose addresses have been marked in the HPE Process as undeliverable. Mailing of HCO informing materials may only resume to a beneficiary with an undeliverable address when updated address information is received from the applicant/beneficiary, U.S.P.S. or through MEDS. Updated addresses are received in the daily new eligibles and monthly reconciliation reports.
 - F. Resume mailings within three (3) business days following the receipt of updated address information for eligibles with an undeliverable address. Mandatory beneficiaries who fail to respond within forty-five (45) calendar days to HCO informing materials mailings triggered by the receipt of updated address information shall be auto-assigned (default-assigned) to a health and/or dental plan using the standard auto-assignment (default-assignment) algorithm.
 - G. Place specific confidential beneficiary information contained in returned mail in confidential shred containers within one (1) business day from the date of receipt. [The time requirement as stated in Exhibit A, Attachment II, Section 7.5.B, Retention of HCO Program Records, is not applicable to this subsection.](#)
 - H. Within ten (10) business days of receipt, disassemble returned HCO informing materials and return reusable materials to inventory. Reusable materials are defined as materials that are still current (have not been replaced by updated versions), are not damaged or marred per CDHS standards, and can be restocked and reused without incurring a net cost.
 - I. [Flag the applicant/beneficiary's file to indicate that the HCO informing material was not delivered. All documents returned to the Contractor and which are specific to an individual applicant/beneficiary shall be scanned and stored as an image view. Examples of Informing Materials that were returned may be scanned and stored with the exception of any materials that are beneficiary specific.](#) The Contractor shall document in the case file the date in which the document was returned to the Contractor, a description of the returned document, and the date in which the document was re-sent to the applicant/beneficiary, if applicable. [The time requirement as stated in Exhibit A, Attachment II, Section 7.5.B, Retention of HCO Program Records, is not applicable to this subsection.](#)
 - J. Develop and maintain a tracking system of all undeliverable items and returned mail which is specific to an individual applicant/beneficiary, and shall link all undeliverable items and returned mail to the case head.
 - K. Update inventory control data records weekly to reflect the returned stock of reusable materials.
 - L. Recycle and/or destroy materials deemed non-reusable. Materials containing Protected Health Information (PHI) shall be destroyed, as stated in Section 2.6 G

above. [The time requirement as stated in Exhibit A, Attachment II, Section 7.5.B, Retention of HCO Program Records, is not applicable to this subsection.](#)

- M. Unless otherwise directed by the CDHS, update address information in the HPE Process in an 'information only' status.
- N. Be prepared to possibly be required, at a later date, to actively participate in the incorrect address correction process. If this were to occur, the Contractor shall be asked to submit records containing known incorrect addresses to the CDHS, the counties, or both, on a monthly basis. If the Contractor is asked to participate in the incorrect address correction process, it shall work closely with the CDHS and the counties to create specifications for the content and layout of the records to be exchanged, identify required information, content, sort criteria, formats and delivery dates, and provide viable means of sharing this information. This work shall be guided by a CDHS-approved work plan. The Contractor shall submit a project work plan containing the agreed-upon schedule to the CDHS for approval within eight (8) business days from the date the CDHS directs the Contractor in writing to undertake the project. Upon approval of the project work plan by the CDHS, the Contractor shall implement the project as specified in the approved project work plan.
- O. Be prepared to obtain forwarding addresses from the U.S.P.S. for beneficiaries with incorrect addresses on file with the HPE Process. When this information is obtained, it would be included in the information exchanged with the CDHS and the counties.

2.7 INVENTORY OF MATERIALS

The Contractor shall maintain sufficient stocks of HCO informing materials to meet Contract requirements for timely mailing and delivery of all HCO informing materials and shall be responsible for the storage and stocking of all informing materials that are not generated on-demand at the time mailings are being assembled. The CDHS staff shall have direct access to all HCO informing materials.

2.7.1 LOCATION OF MATERIALS

All HCO informing materials for which the Contractor is responsible for mailing shall be stored at a single central warehouse location within a forty-nine (49) mile radius (as determined by the shortest freeway access) of the State of California Capitol Building in Sacramento.

2.7.2 INVENTORY CONTROL

The Contractor shall:

- A. Be responsible for effective and accurate inventory management, maintenance, tracking and disposition, and timely retrieval of all HCO informing materials. The Contractor shall develop and maintain an inventory control system that allows the CDHS and Contractor staff instant access to the information contained in the system. The system shall ensure that sufficient quantities of the appropriate

HCO informing materials are available to meet the fulfillment requirements of this Contract at all times. The inventory control system shall:

1. Accurately account for every item of inventory at all times.
 2. Generate reports that accurately reflect inventory on-hand for each inventory item.
 3. Project upcoming inventory needs.
 4. Provide the disposition of returned, re-usable and obsolete informing materials.
 5. Provide timely retrieval of all informing materials.
 6. Track/identify the inventory re-order point for each inventory item.
- B. Provide an inventory control system whose data shall be verifiable through routine CDHS monitoring.
- C. Ensure the inventory control system has a ninety-nine percent (99%) accuracy rate.

2.7.3 REPLENISHMENT OF INVENTORY

- A. Contractor-Produced Informing Materials (other than health plan provider directories)

The Contractor shall arrange for on-demand, or similar, production of all Contractor-produced informing materials. No Contractor-produced informing materials shall be printed prior to receipt of beneficiary information. See the HCO Data Library for examples of Contractor-produced informing materials.

- B. Health Plan Provider Directories

Provider directories are either Contractor-produced or plan-produced. The CDHS will inform the Contractor which plans produce their own directories and which will be produced by the Contractor.

The Contractor shall:

1. Maintain a ninety (90) business-day inventory of all provider directories to ensure that daily mailings and all other Contract-required mailings occur without interruption.
2. Submit written notification to the CDHS when the inventory stock of any provider directory drops to a forty-five (45) business-day supply. The notice shall include a description of the provider directory needed, quantity of inventory on-hand, estimated daily usage, and the number of directories needed to bring the available supply up to a ninety (90) business-day level.

3. Not be held responsible for not meeting CDHS timeliness requirements if the CDHS does not respond in a timely manner to the Contractor's timely request to replenish provider directory stocks, and/or deliveries of plan-produced provider directories are not made in a timely manner causing the Contractor to deplete the current inventory. Timeliness requirements shall be implemented within five (5) business days after the Contractor receives the requested inventory.

4. Contractor-Produced Provider Directories

The Contractor shall produce any provider directory not produced by plan(s) in accordance with the stocking requirements described above.

5. Plan-Produced Provider Directories

- a. The CDHS policy allows plans to produce their own provider directories, if they so choose.
- b. Plans are required to replace current versions of provider directories twice annually.
- c. The CDHS shall inform the Contractor that a replacement version of a plan-produced provider directory is forthcoming to ensure the Contractor has the most current version-control information when ordering these new provider directories from the plans.

6. Provider Directory Inserts

The Contractor shall maintain an appropriate inventory stock of provider directory inserts for inclusion in provider directories included in packets. ~~Insert inventories shall meet the same stocking requirements as provider directories.~~ These requirements are described above in Section 2.7.3.B.

C. Materials Not Produced by the Contractor

All other HCO informing materials provided to the Contractor for inclusion in HCO informing materials mailings shall meet the same stocking requirements as provider directories. These requirements are described above in Section 2.7.3.B.

D. Obsolete Materials

Within ten (10) business days of receipt of written notification from the CDHS HCO informing materials specified by the CDHS as obsolete shall be removed from inventory and the inventory system shall be updated to reflect this removal. The materials shall then be recycled or destroyed as instructed by the CDHS.

2.8 AUTOMATED SYSTEM REQUIREMENTS

The Contractor will maintain hard copies of current Control Binder materials. The requirements in this section for an electronic Control Binder are only required if an

automated system is proposed and accepted by the CDHS. These requirements are in addition to and shall not supersede the previous requirements in Exhibit A, Attachment II, Section 2, Informing Materials.

The Contractor shall maintain all Control Binders in electronic form. The electronic version of the Control Binders shall consist of a system that is functionally similar to that of an electronic document management database system. All documents that have ever been included in any informing materials during the term of this Contract shall be maintained in, and easily be retrievable from, the electronic Control Binder database. The most current production versions of all documents shall be easily distinguishable from previous versions and retired documents. The full and complete revision history of all documents in the production database shall also be maintained and easily retrievable.

The CDHS shall have full, read-only access to the electronic Control Binder. CDHS staff shall have the ability to run production queries and reports in the database, and be able to create and run ad hoc queries and reports.

2.9 MEDI-CAL PUBLICATIONS

The following requirements do not pertain to HCO Informing Materials.

2.9.1 OVERVIEW

The Contractor shall revise existing publications and create new publications, as directed by the CDHS. The publication revision and development process entails editing, updating, creating, translating, focus testing and performing readability studies on publications, in keeping with instructions and written approvals received from the CDHS. In addition, the Contractor shall maintain all existing publications and protect them to ensure that no changes occur to them, inadvertently or intentionally, in the absence of instructions and final written approvals from the CDHS. These requirements apply to all publications for which the Contractor is responsible for distributing to, which are at a minimum, community-based organizations, county departments and the CDHS.

The CDHS and the Contractor shall work cooperatively to ensure that the content of all publications is accurate and consistent with the CDHS directions. The Contractor shall ensure that publications meet the CDHS specified content and production standards and requirements for each publication in order to facilitate effective communication with the intended audience.

In addition, the Contractor is responsible for appropriate storage, effective and accurate inventory management, maintenance, tracking, and disposition of returned and obsolete publications. The CDHS and Contractor shall work cooperatively to ensure that distribution of the publications is accurate and consistent with the CDHS directions.

2.9.2 OBJECTIVES

The Contractor shall:

- A. Ensure that publications are produced in English and threshold languages as directed by the CDHS;
- B. Ensure that the publications are unbiased, culturally sensitive, and linguistically appropriate in order to promote understanding of the materials;
- C. Ensure the receipt and fulfillment of publication orders on a bulk and/or individual basis;
- D. Ensure accurate and sufficient inventory of all informing materials are kept in stock; and
- E. Ensure all reusable publications are restocked, as directed by the CDHS, when returned as undeliverable.

2.9.3 ASSUMPTIONS AND CONSTRAINTS

- A. The Contractor shall, two (2) weeks prior to Assumption of Operations~~upon Contract Effective Date~~, accept delivery and assume physical control of the existing inventory of selected Medi-Cal publications from the CDHS.
- B. The Contractor shall have immediate and ongoing distribution management responsibility for the:
 - 1. Medi-Cal Application (MC 210)
 - 2. Medi-Cal/Healthy Families Application (MC 321)
 - 3. Medi-Cal Informational Brochure (Pub 68)
 - 4. Medi-Cal/Healthy Families Periodic Update Inserts (Pub 406)
 - 5. Healthy Families Handbook
 - 6. Additional publications identified by CDHS during the Contract term
- C. The Contractor may experience periods of frequent publications work orders followed by relatively inactive periods based on CDHS publication needs.
- D. The Contractor shall obtain final written approval from the CDHS of all publications prior to reproduction in accordance with the edit/approval process. The CDHS owns any material designed by the Contractor under this section. The Contractor has no right to reproduce or use these publications (or the design, composition or layout of the publications) for any other purpose beyond the direction given to the Contractor by the CDHS in the Contract.

2.9.4 GENERAL REQUIREMENTS FOR PUBLICATIONS DEVELOPMENT AND PRODUCTION

2.9.4.1 DESIGN SERVICES

The Contractor shall provide publication design services when requested by the CDHS. These services may include:

- A. Original logos, insignias, and/or graphics. The Contractor shall create original material for those publications specified by the CDHS.
- B. Photographs. For those publications specified by the CDHS, the Contractor shall obtain new photographs, utilize existing photographs furnished by the CDHS, manage the ownership rights for use in the publications, and maintain the files of modeling fees and releases on behalf of the CDHS.
- C. Composing, designing, and constructing the publications. The Contractor shall ensure that publication layout, text and graphics are spaced and arranged to ensure ease of understanding by the intended audience.
- D. Cost-Effectiveness. The Contractor shall coordinate publication design and printing management to ensure that design specifications such as colors, paper size and paper stock are cost-effective to print. The Contractor shall incorporate the results of any cultural and linguistic accuracy services into the publication design as directed by the CDHS.
- E. Edit/Approval Process. The Contractor shall propose an approval process for the CDHS to use when editing the publications, viewing document samples, modifying the material, if necessary, and tracking changes prior to production. The CDHS shall retain the authority to designate the manner and method by which Medi-Cal publications shall be reviewed, revised and approved.

2.9.4.2 CULTURAL AND LINGUISTIC ACCURACY

The Contractor shall provide cultural and linguistic accuracy services, upon request by the CDHS. The Contractor shall coordinate with publication design services to ensure that cultural appropriateness and linguistic accuracy is reflected in the final design of the publication.

2.9.4.3 READABILITY ASSESSMENT

The Contractor shall provide readability assessments of Medi-Cal publications, primarily on English source documents.

- A. The Contractor shall utilize a CDHS-approved scoring mechanism to ensure that all Medi-Cal publications, including English and all threshold languages, meet CDHS-specified reading levels for the intended audience.
- B. The Contractor shall recommend modifications of new and existing publication text, such as alternative phrases, to meet the required reading level by suggesting replacement of words or phrases that preserve the integrity of the intended textual meaning.
- C. The Contractor shall obtain CDHS written approval before initiating the readability assessment.

2.9.4.4 TRANSLATION SERVICES

The Contractor shall provide translation of the benchmark English source publication into Spanish, and into any other languages specified by the CDHS. Although the CDHS currently translates publications into nine (9) additional languages, the number of languages may be increased or reduced as deemed necessary by the CDHS.

- A. The Contractor shall provide translation services conducted by qualified translators, editors, proofreaders, and reviewers to ensure contextual accuracy and ease of understanding by the intended audience.
- B. The Contractor shall not provide translation services that utilize software or automated systems as the sole method of translation.
- C. When requested by the CDHS, the Contractor shall prepare and provide publications for the visually impaired, or other special needs audiences, consistent with Americans with Disabilities Act (ADA) requirements.
- D. The Contractor shall obtain CDHS written approval prior to initiating the translation service.
- E. The CDHS shall retain the authority to designate standards for translating publications, including, but not limited to, translator qualifications, methods, and performance standards.

2.9.4.5 FOCUS GROUP TESTING

The Contractor shall provide focus group research of CDHS-specified publications to assess the effectiveness of the publications in achieving their objectives. The CDHS typically conducts focus group research for new publications and not for reproduction of existing publications.

- A. The Contractor shall submit a proposal that states the research objective and the plans for accomplishing the objective through qualitative and/or quantitative research.
- B. The Contractor shall obtain CDHS written approval prior to initiating focus group research.
- C. The Contractor shall provide a Focus Group Research Plan that includes the project schedule and the estimated number of sessions and respondents, by California region and language. The Contractor's final Research Plan shall meet the following requirements:
 - 1. The Contractor shall provide qualified focus group moderators for all focus group sessions and translation services for non-English focus group sessions.
 - 2. The Contractor shall develop moderator discussion guides that achieve the stated focus group testing objective as approved in writing by the CDHS.

3. The Contractor shall recruit respondents that reflect the demographics of the intended audience of the publication, as specified by the CDHS.
 4. The Contractor shall arrange for the usage of focus group facilities, including donated facilities, and provide support for the respondents, such as incentive payments, transportation, childcare, and meals (if necessary).
 5. The Contractor shall obtain the CDHS written approval of the Focus Group Research Plan prior to commencing the research. A CDHS representative, and other individuals designated by the CDHS, shall be present to observe and monitor the focus group sessions.
- D. The Contractor shall submit to the CDHS a preliminary report that highlights the general outcome of the focus group research. The report shall include the major recommendations for improving the publication based upon commentary from respondents. The Contractor shall submit the report in writing to the CDHS within a maximum of fifteen (15) business days of the conclusion of the research, or at an earlier time if requested by the CDHS.
- E. The Contractor shall submit a written Final Report that details the outcome of focus group research, such as any design and content flaws in the publications, positive and negative feedback, an evaluation of the cultural and linguistic appropriateness of the publications, respondent demographics, examples of specific comments made by respondents, an assessment of the adequacy of the publications in meeting the information needs of the target audience, and recommendations for improving the publication. The Final Report shall include an audio and/or visual record of the focus group sessions, if requested by the CDHS.
- F. The Contractor shall revise publications as a result of focus group testing in accordance with the edit and approval process specified in Design Services.

2.9.5 PRINTER SERVICES

The Contractor shall print the Medi-Cal publications upon receipt of the final written approval for printing from the CDHS.

- A. The Contractor shall generate a Print Specification Schedule for each printing service that includes the requirements and specifications for:
1. Paper Size, such as 8 ½ x 11 inches or 4 x 6 inches
 2. Paper Count, such as 24 pages from front to back of sheets, or single sided
 3. Paper Stock, such as 80# Glossy
 4. Ink, such as four color and black and white
 5. Bindery, such as cut, fold and saddle stitch with staple in the middle

6. Special Treatment, such as sequential barcodes and/or other numerical coding for tracking purposes
 7. Quantity, such as 50,000 units
 8. Other specifications necessary to obtain accurate job estimates from various printing companies
- B. The Contractor shall obtain CDHS written approval of the Print Specification Schedule prior to initiating the printing.
 - C. The Contractor shall deliver completed publications to the distribution facility, as described in this Contract, or to other locations when specified by the CDHS, such as the CDHS warehouse.
 - D. The Contractor shall be responsible for the printing costs of misprinted publications and either refund or credit the cost of such publications to the CDHS, or make required corrections and replace it at no cost to the CDHS.

2.9.6 WORK PLANS, COST ESTIMATES AND SCHEDULES

The Contractor shall oversee all phases of publication development and production, from project initiation to project completion.

- A. Within five (5) business days of receiving CDHS direction to develop new or to revise existing Medi-Cal publications, the Contractor shall submit a project work plan to the CDHS. The purpose of the work plan is for the Contractor to articulate the CDHS publication concept, describe the projected level of effort, and review various alternative cost-effective approaches. The Contractor shall obtain CDHS approval of the work plan before commencing with subsequent project activities.
- B. Within five (5) business days of receiving CDHS approval of the work plan, the Contractor shall submit cost estimates and schedules for publication development and production services based on the approved work plan. The Contractor shall obtain the State's approval of cost estimates and schedules before commencing with subsequent project activities.
- C. CDHS may waive the five (5) business day requirement if the Contractor demonstrates a reasonable need for additional time.
- D. CDHS may request the Contractor to submit cost estimates and schedules without first requesting a work plan if CDHS determines that an initial work plan is not necessary.
- E. CDHS may require the Contractor to provide expedited development and/or production of existing and new publication. Under these circumstances, the Contractor shall produce and/or develop the publications according to an expedited schedule provided by the CDHS.

2.9.7 EXISTING PUBLICATIONS

- A. The Contractor shall revise existing publications and/or reproduce existing publications without revisions, as directed by the CDHS.
- B. The Contractor shall, upon commencement of this Contract, assume possession of master copies of existing publications from the CDHS. The CDHS shall retain authority to designate the manner and method by which master copies shall be transferred. The Contractor will be provided as much production information (font, images etc.) on each piece of material as possible.

2.9.8 NEW PUBLICATIONS

The Contractor shall develop and reproduce new publications, when requested by the CDHS, for the purpose of informing the intended audience about the Medi-Cal program or providing methods to apply for the Medi-Cal program. Examples of such new publications include flyers, forms, notices, and booklets.

2.9.9 TRANSFER ON TERMINATION

The Contractor shall, upon termination of this Contract, transfer control of all Medi-Cal publications, both physical inventory and electronic copies, to the CDHS. The CDHS shall retain authority to designate the manner and method by which Medi-Cal publications shall be transferred.

2.9.10 DISTRIBUTION FUNCTIONS

2.9.10.1 STORAGE AND INVENTORY STANDARDS

The Contractor shall maintain sufficient inventory of the publications to ensure that distribution of existing and new publications is in accordance with CDHS standards. The Contractor is responsible for monitoring the inventory and projecting future needs based on historical evidence. The Contractor shall be responsible for the storage and inventory of publications in accordance with the following standards.

2.9.10.2 LOCATION OF PUBLICATIONS

- A. The Contractor shall operate an efficient Medi-Cal publication distribution facility. The Contractor shall use a cost-effective method that offers low overhead costs. The Contractor may choose to lease a facility that is currently operational and offers the best value to the CDHS.
- B. The Contractor shall store Medi-Cal publications at a distribution facility within the State of California.
- C. The Contractor shall store all publications in a secure location that maintains their condition, protecting them from the elements such as rain or excessive sunlight that will fade and damage publications.

2.9.10.3 INVENTORY CONTROL METHODS

- A. The Contractor shall develop and maintain an inventory system to ensure a sufficient inventory of Medi-Cal publications in accordance with CDHS standards. This system shall, at a minimum:
 - 1. Accurately account for the inventory of each Medi-Cal publication at all times
 - 2. Generate reports that accurately reflect inventory on hand for each inventory item
 - 3. Project upcoming inventory need
 - 4. Track and identify the inventory re-order point for each inventory item
- B. The Contractor shall provide to the CDHS an inventory of specified items within one business day of receiving a request from the CDHS.

2.9.10.4 REPLENISHMENT OF STOCK

The Contractor shall ensure an appropriate inventory of Medi-Cal publications by replenishing publications using a replacement process and schedule proposed by the Contractor and approved by the CDHS. The Contractor shall notify the CDHS in writing when the inventory of any publication reaches a minimum forty-five (45) business-day supply. The notice shall include:

- A. A description of the publication needed.
- B. Inventory on hand, estimated depletion date, and the number needed for a ninety (90), one-hundred eighty (180), and three-hundred sixty (360) business-day supply.

The Contractor shall replenish the stock of publications as directed by the CDHS and to the extent determined by the CDHS.

2.9.10.5 OBSOLETE PUBLICATIONS

Within ten (10) business days of receipt of written notification from the CDHS, the Contractor shall remove obsolete publications from inventory and update the inventory data to reflect this removal. The Contractor shall recycle and/or destroy obsolete publications when directed by the CDHS.

2.9.11 ORDER FULFILLMENT

The Contractor shall fulfill orders for publications as follows:

- A. The Contractor shall provide a cost-effective and efficient method for receiving orders for publications from customers. The Contractor may utilize a telephone service center, an Internet website, or any other method that is approved by the CDHS.

- B. The Contractor shall prepare and ship the appropriate Medi-Cal publications to recipients as designated by the CDHS:
1. Within three (3) business days of the request, the Contractor shall mail and/or ship publications to individual residences.
 2. The Contractor shall deliver and/or ship publications to community-based organizations, commercial locations, schools, and similar locations as specified by the CDHS, within four (4) business days of receiving a request to deliver and/or ship such publications.
 3. ~~3.~~ The Contractor shall deliver and/or ship publications to county departments within five (5) business days of receiving a request to deliver such publications.
 4. The Contractor shall deliver and/or ship publications to the CDHS at any of its California locations, including the CDHS warehouse, within five (5) business days of receiving a request from the CDHS to deliver such publications.
 5. ~~The Contractor shall deliver and/or ship publications to the CDHS at any of its California locations, including the CDHS warehouse, within five (5) business days of receiving a request from the CDHS to deliver such publications.~~

2.9.12 STANDARDS FOR DISTRIBUTING MEDI-CAL PUBLICATIONS

The Contractor shall distribute orders for publications in accordance with the following standards:

- A. The Contractor shall select the most cost-effective freight and shipping contractors when fulfilling orders for publications.
- B. The Contractor shall use envelopes, boxes, or other packing materials of sufficient size and strength to accommodate the shipment of publications in accordance with carrier requirements and/or CDHS specifications.
- C. The Contractor shall coordinate with the CDHS warehouse to ensure compliance with its storage requirements, including but not limited to, pallet size and maximum weight.
- D. The Contractor shall distribute publications to recipients via overnight courier service upon receipt of a request by the CDHS. The Contractor shall select overnight courier service subcontractors in a cost-effective manner, as approved in writing by the CDHS. The Contractor shall provide the CDHS with tracking information for overnight shipments via electronic mail upon request.
- E. The Contractor shall process mass deliveries and/or shipments of Medi-Cal publications upon receipt of a request by the CDHS. Mass deliveries and/or shipments may result from a variety of activities, such as major notification efforts or special projects. The Contractor shall work with the CDHS to develop a schedule for the mass deliver and/or shipment based upon the number of

recipients and their locations. The Contractor shall submit the schedule to the CDHS for approval no later than ten (10) business days from the date the CDHS notifies the Contractor of the need for a mass delivery and/or shipment. Once the schedule is approved by the CDHS in writing, the Contractor shall deliver and/or ship the publications to the scheduled recipients in accordance with the CDHS-approved schedule.

3.0 ENROLLMENT/DISENROLLMENT PROCESSING

3.1 OVERVIEW

The Contractor is responsible for enrollment of beneficiaries into, and disenrollment of beneficiaries out of, Medi-Cal managed care health plans in specified counties, as directed by California Department of Health Services (CDHS). This activity includes processing Choice Forms received from applicants, beneficiaries, and/or their authorized representatives, exception to plan enrollment requests, special disenrollment request forms, assigning to an available health plan, as directed by the CDHS, those beneficiaries who do not make an active choice during the initial Health Care Options (HCO) informing process and informing applicants/beneficiaries of the status of their health plan membership.

3.2 OBJECTIVES

The Enrollment/Disenrollment requirements described in this section shall:

- A. Ensure that effective techniques are used to enroll and disenroll the Medi-Cal population into managed care plans.
- B. Ensure CDHS has access and tools to monitor the Enrollment/Disenrollment Processing functions.
- C. Provide enrollment program changes in an accurate and timely manner.

3.3 ASSUMPTIONS AND CONSTRAINTS

- A. The requirements in this section are required if either a manual or an automated system is proposed and accepted as part of the Contract.
- B. Fee-For-Service Choice Forms that keep a voluntary beneficiary in Fee-For-Service status shall not result in a transaction.

3.4 GENERAL REQUIREMENTS

The Enrollment/Disenrollment Processing operations shall provide centralized control of all beneficiary and health plan information relating to the enrollment and disenrollment process. At a minimum, the Enrollment/Disenrollment Processing shall be capable of:

- A. Recording, identifying, indexing and filing all forms and documents associated with the Enrollment/Disenrollment Processing. All tools used to support the Contract must be secure.
- B. Supporting the recording of information associated with the Enrollment/Disenrollment Processing and with the Customer Service functions.

3.5 ENROLLMENT/DISENROLLMENT PROCESSING COMPLIANCE PLAN

- A. The Contractor shall maintain and update, as approved in writing by CDHS, the Contractor's Enrollment/Disenrollment Processing Compliance Plan. This plan shall be submitted as required in Exhibit A, Attachment I, Takeover, Enrollment/Disenrollment Processing. The plan shall:
 - 1. Detail the Contractor's activities that shall be performed in order to bring its Enrollment/Disenrollment Processing functions into full compliance with all standards and requirements in this section.
 - 2. Implement techniques for complying with Contract requirements that are consistent with the current industry standards in these areas.
 - 3. Not be revised without prior written approval from the CDHS.

3.6 ENROLLMENT/DISENROLLMENT PROCESSING PROCEDURES AND PROCESS GROUP ORGANIZATION MANUAL

- A. The Contractor shall maintain and update, as approved in writing by CDHS, the Contractor's Enrollment/Disenrollment Processing Procedures and Process Group (PG) Organization Manual. This plan shall be submitted as required in Exhibit A, Attachment I, Takeover, Enrollment/Disenrollment Processing. This manual shall:
 - 1. Describe the procedures the Contractor shall follow for implementing the requirements as described in this section.
 - 2. Provide staffing information and procedures that the PG shall follow in accordance with Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing.

3.7 HCO OPERATIONS INTERFACE

3.7.1 COMMUNICATION LINKS

The Contractor shall establish and maintain communication links to allow interfaces with outside entities as designated by the CDHS. The Contractor shall:

- A. Establish and maintain through the term of this Contract an agreement with the Department of Technology Services (DTS) for appropriate link between the Contractor and DTS. This media shall be used for computer access, both batch and on-line, to records contained in the Medi-Cal Eligibility Database System (MEDS), EDSNET and any other beneficiary eligibility files made available to the Contractor, and to submit and retrieve information files in a format to be determined by the CDHS. Communication protocols, line configuration, communication software, etc. shall be determined by the CDHS during Takeover.

- B. Maintain the capability to communicate with CDHS instantly. The Contractor shall have the ability to receive and read files as well as to send files to CDHS in a form readable and editable by software that is compatible with that used by CDHS.
- C. Establish a method to allow immediate retrieval of enrollment information from and by health plans and other parties designated by the CDHS.
- D. Establish a method to allow programs and health plans to submit and receive exception to plan enrollment and disenrollment request forms designated by CDHS.
- E. Provide Contractor staff and managers with an electronic mail system that is fully compatible with CDHS electronic mail system, and configure that system to allow unrestricted, unimpeded electronic mail communication between CDHS and Contractor personnel. The Contractor shall be able to restrict and/or curtail use by its personnel in order to terminate or prevent inappropriate or abusive use.

3.7.2 MEDI-CAL ELIGIBILITY DATABASE SYSTEM INTERFACE

MEDS is system used by CDHS as the automated medical eligibility data management system. CDHS' Information Technology Services Division (ITSD) maintains the system and provides the Contractor with beneficiary eligibility information extracted from MEDS. The Contractor shall:

- A. Process CDHS-supplied eligibility information files, which include (at a minimum):
 - 1. MEDS Daily Files containing eligibility information for beneficiaries who are newly Medi-Cal eligible, potential health plan enrollees, updated records for any current, prior or potential enrollees, and/or changes to beneficiary eligibility records possibly affecting current enrollment status.
 - 2. MEDS Error Transaction Log Files containing the status of each enrollment and disenrollment transaction received from the Enrollment/Disenrollment Processing and applied to MEDS, and information to assist the Contractor in identifying and correcting errors.
 - 3. Health Care Program (HCP) Table (also known as the "PHP Table") containing current information on health plan coverage.
 - 4. Monthly Reconciliation Files containing eligibility information to be used to reconcile the Enrollment/Disenrollment Processing with MEDS on a monthly basis.
 - 5. Special files, as required by CDHS.
- B. Generate and transmit to the CDHS each business day a file containing records that accurately characterize all changes in the health plan enrollment status of Medicare/Medi-Cal beneficiaries in all HCO Program service areas. This file shall be known as the "HCO Enrollment/Disenrollment Transactions

File”, and shall contain records for all changes that have occurred since the last Enrollment/Disenrollment Transactions File was created. The format of the file shall be determined by the CDHS.

- C. Create and submit a file to CDHS of the HCO enrollment/disenrollment transactions indicating changes in the health care plan status for Medi-Cal beneficiaries. Submit the HCO enrollment/disenrollment transaction file in a format to be determined by the CDHS. Transmit only one (1) HCO enrollment/disenrollment transaction file each day.
- D. Ensure that system communications with MEDS are secure.

3.7.3 HEALTH PLAN INTERFACE

On a weekly basis, the Contractor shall provide all operational managed care health plans with an information file containing records for each new enrollment into, or disenrollment from, health plans.

3.8 PROCESSING DEVELOPMENT GUIDELINES

The Contractor shall use structured analysis, design and programming techniques that are consistent with the current industry standards in these areas.

3.9 PROCESSING TOOLS

The Contractor may use various processing tools that are compatible with both the CDHS and Contractor process environments and are designed to improve and maintain processes. The Contractor shall acquire tools that meet and/or exceed the process availability and response time requirements set forth in this Contract.

3.10 DOCUMENTS AND IMAGES

All images shall be produced as specified in the applicable standards of the Association for Information and Image Management (AIIM) (i.e., MS52 1991 and MS53 1993). These standards shall apply to all electronic images. All reports shall be produced as required by Exhibit A, Attachment II, Section 7, Records Retention and Retrieval requirements of this Contract. Reports and all attachments there to and/or document facsimiles shall be stored in a document management system.

The Contractor shall:

- A. Ensure that all documents are stored and readily retrievable.
- B. Ensure that the retention period of all documents is consistent with the records retention provisions of Exhibit A, Attachment II, Section 7, Records Retention and Retrieval.
- C. Ensure that duplicates, copies, and printed copies of documents are complete, free of significant blemishes, and are of sufficiently high resolution

to be clearly readable. "Clearly readable" shall be defined as meeting the conditions of acceptability as evidenced in a court of law under Evidence Code §1500 et seq..

- D. Ensure that all document images are exact and unaltered replicas of the original documents.
- E. Ensure that inspection procedures are established to monitor for defects. Inspections shall be made for, but are not limited to:
 - 1. Images that are not clear and distinct.
 - 2. Characters and symbols that are filled in or are too light to be legible.
 - 3. Lines that are discontinuous or too light to be legible.
 - 4. Information that is obscured, illegible, blurred, or out of focus.
 - 5. Blisters, tears, or processing stains.
 - 6. Scratches that appear through image areas.
 - 7. Documents that were so skewed and/or off-center that one or more characters is out of the printable and/or visible margins of the page.
 - 8. Improper alignment between the form overlay and the information populating the form fields.
 - 9. Finger marks, oil, and/or grease.
- F. Replace images that are deficient in any of the above areas with corrected images no later than fifteen (15) business days following the date on which the Contractor discovers the illegible image, or on which the CDHS notifies the Contractor in writing of a defective image.
- G. Establish written procedures for written CDHS approval for certifying that stored images are true and correct copies of the original document.
- H. Perform index entry verification to confirm that all images are properly indexed and easily and accurately retrievable.
- I. Ensure that the processes used to store and retrieve records are not allowed to become obsolete. Upgrades shall be applied as soon as they have been determined to be stable, and entire processes are to be replaced well before vendor support for them is withdrawn.
- J. Maintain sufficient logs to produce access logs to all images.

3.11 COMMUNICATION STANDARDS

In establishing information communication links with the CDHS, the Contractor shall employ communication protocols and information formats approved in writing by the CDHS. In establishing procedures for information exchanges with health plans and other outside entities, the Contractor shall use accepted, industry-standard and HIPAA compliant protocols and information formats that are approved in writing by the CDHS, and that provide sufficient security to protect the confidentiality and integrity of the information. If conflicts develop between these requirements, the Contractor shall immediately refer the matter to the CDHS for resolution. See Exhibit H of the RFP, the HIPAA, Business Associate Addendum, for more specific requirements.

3.12 PROCESS AVAILABILITY

For purposes of the requirements set forth in this section, "process availability" is defined as the proportion of scheduled operational time that the processing method(s) is available to users. Availability is expressed as a proportion, defined as the time scheduled less the time down, divided by the time scheduled.

The Contractor's Enrollment/Disenrollment Processing, and all supporting and ancillary processes, shall meet the following process availability requirements and standards:

- A. The Contractor shall ensure that the CDHS access to the Enrollment/Disenrollment Processing, and all other Contractor processes to which the CDHS has access, are not interrupted or superseded, except with the CDHS prior written approval, for any Contractor activity including process maintenance (preventive, scheduled or otherwise) and program processing (scheduled or unscheduled).
- B. Whenever a process covered by these requirements becomes inaccessible for any reason, the Contractor shall notify the CDHS within one (1) hour of the incident. Verbal notification and a follow up email shall be provided to at least one (1) CDHS HCO manager. The CDHS shall provide the Contractor with the names and e-mail addresses of the CDHS HCO managers who are to be contacted in the event of an Enrollment/Disenrollment Processing downtime incident. The CDHS shall again be notified both verbally and via email within one (1) hour of when the inaccessible process returns to normal operations. If a covered process becomes inaccessible during non-business hours, notification shall be provided to one (1) or more CDHS HCO managers on the notification list by email no later than 7:00 AM and verbally by 9:00 AM of the next business day following the process downtime incident. Each time the CDHS is notified verbally and via email of a process downtime incident, that notification shall be followed by a PS.

3.12.1 PROCESS AVAILABILITY STANDARDS

- A. The Enrollment/Disenrollment Processing, and all supporting and ancillary processes, shall be available for the conduct of all HCO Program Operations

under the terms of this Contract at least ninety-eight percent (98%) of the total time between the hours of 7:00 AM and 6:00 PM Pacific Time, Monday through Friday, excluding State holidays, as determined by a weekly average of five (5) business days over the course of each one (1)-month reporting period. This standard applies to all functions, including but not limited to, supporting customer assistance, mailing functions, forms processing, field operations, reporting and CDHS oversight.

- B. The Contractor shall perform all non-routine process maintenance and file updating activities before or after business hours, as approved in writing by the CDHS.

3.12.2 ENROLLMENT/DISENROLLMENT PROCESSING RESPONSE TIMES

Ninety-five percent (95%) of process inquiries entered by all users shall be processed within three (3) seconds. Process response time consists of the time that elapses between the moment a user begins the activity to the moment the activity is complete.

3.12.3 REPORTS

- A. On a monthly basis, the Contractor shall report to the CDHS on all downtime incidents involving the process covered by the requirements in this section. For each incident, the date and time of occurrence, the duration in minutes, the cause, the resolution, and any preventive measures taken shall be reported.
- B. On a monthly basis, the Contractor shall report to the CDHS Enrollment/Disenrollment Processing terminal response time, averaged over the reporting period.

3.12.4 CDHS ACCESS TO PROCESSES

The Contractor shall:

- A. Provide the CDHS with unfettered access to the Enrollment/Disenrollment Processing, and to all related and supporting information processes. Access to other than 'read only' records will be granted only by special request or through security protocols.
- B. Provide CDHS staff with unfettered access to the Enrollment/Disenrollment Processing query and reporting functions and any other process activity. CDHS staff shall have the capability to perform ad hoc queries, using replicated data that is not older than seven (7) calendar days, and pre-programmed queries and reports without any restrictions.
- C. Provide the CDHS with read access over the Contractor's network to all Enrollment/Disenrollment Processing functions and files utilized by the Contractor's Process Group (PG) staff for application development and reporting. CDHS access shall begin on the Contract Effective Date (CED)

and remain in effect throughout the term of the Contract. No access time or duration limits shall be imposed on the CDHS access to these process areas.

- D. Provide CDHS staff with sufficient information storage space in the Enrollment/Disenrollment Processing in order to store queries, reports, query and report scripts, and process testing files.
- E. Provide designated CDHS staff with access to all working tools packages available to the Contractor's PG staff. The Contractor may seek to waive this requirement for tools that, if used improperly, poses a significant risk to the Enrollment/Disenrollment Processing or the information it contains.
- F. Provide the CDHS with the capability to independently test the Enrollment/Disenrollment Processing and auxiliary processes. The CDHS shall have the capability to run a variety of tests, including but not limited to running standard Enrollment/Disenrollment Processing jobs against test information files, running queries and reports, retrieving information records (random samples, for example), entering information, and scanning. CDHS testing shall occur in an environment where it can have no effects on the production Enrollment/Disenrollment Processing, its sub-processes, or information files. Sufficient space shall be allocated to this area to support the CDHS testing requirements.
- G. Provide the CDHS with the ability to continuously review the file of any beneficiary, except for daily maintenance periods. This will not include the ability to change existing information in the file. The Contractor shall allow the CDHS to make additional notations to existing files. The Contractor shall provide the CDHS access via all available methods to the entire Contractor's enrollment information, image view of scanned forms, eligibility and enrollment records. Access will be available from 7:00 AM to 6:00 PM Pacific Time, Monday through Friday, excluding State holidays.
- H. Ensure that designated CDHS staff has sufficient access to the Enrollment/Disenrollment Processing to oversee and conduct process testing and monitoring. In order to provide the CDHS with the necessary access, the Contractor shall:
 - 1. Enable CDHS monitoring staff to validate all Contractor test runs.
 - 2. Provide designated CDHS staff with copies of any requested Enrollment/Disenrollment Processing information files, including Enrollment/Disenrollment Processing information tables. The Contractor shall submit the requested files to the CDHS within two (2) business days of receiving a request. The Contractor shall provide CDHS staff with the ability to order file copies manually and/or electronically, using the Contractor's network.
 - 3. Ensure that the entire Enrollment/Disenrollment Processing, including all sub-processes and supporting processes, is available to CDHS staff for testing. The CDHS shall have the capability to test the

Enrollment/Disenrollment Processing to ascertain that changes have been implemented correctly and policy is being executed as required.

4. Provide the CDHS with the capability to pull random samples from the available information files and tables, and to run tests under randomized conditions (test runs that repeat at random intervals, that run against randomly chosen records or files, etc.).
- I. Provide the CDHS with sufficient Enrollment/Disenrollment Processing access to enable it to monitor:
 1. Production Enrollment/Disenrollment Processing libraries
 2. Information and process security procedures
 3. Information element dictionary information
 4. Information record layout descriptions
 5. Enrollment/Disenrollment Processing information files

3.13 DOCUMENTATION REQUIREMENTS

The Contractor shall describe all processing instructions necessary for performing each major Enrollment/Disenrollment Processing step. This is not a requirement to document every line of instruction in every Enrollment/Disenrollment Processing program. It refers instead to the high-level instructions that initiate and terminate the major stages in the Enrollment/Disenrollment Processing cycle. The description of each instruction shall specify its source. If the source of the instruction is an Enrollment/Disenrollment Processing program, that program shall be referenced using its standard naming convention identifier. Each section shall specify who issues and performs each instruction, and how and when that takes place.

3.14 PROCESS INFORMATION DICTIONARY

The Contractor shall:

- A. Create and maintain an Enrollment/Disenrollment Processing Information Dictionary containing detailed, specific descriptions of all information elements in all Enrollment/Disenrollment Processing programs.
- B. Make the full and current HCO Information Dictionary available to all CDHS users.
- C. Ensure that the Information Dictionary shall contain, at a minimum:
 1. Information element name
 2. Unique information element number

3. Description of the information element and all of the possible values
 4. Format of the information element
 5. Security and confidentiality requirements associated with the element
 6. File cross-reference (a list of files and programs that use the information element)
 7. Originating source
 8. Edit error codes that relate to this information element
 9. The names and numbers of all reports that use the information element
- D. Submit an information element naming protocol that shall be used to generate all information element names in all Enrollment/Disenrollment Processing tools. The naming protocol shall be included in the Enrollment/Disenrollment Processing Information Dictionary.
- E. Make all necessary and appropriate updates to the Information Dictionary and its documentation whenever any changes are made to Enrollment/Disenrollment Processing tools (e.g., as a result of the generation of PDNs, Change Orders, reports, process fixes, etc.). The Contractor shall also be responsible for providing the CDHS with any customized enhancements, additional features, or interfaces (or revisions to such features) that the Contractor develops in conjunction with the Information Dictionary tools.
- F. Print for the CDHS or ensure that the CDHS has the capability to print on demand a hardcopy version of the Information Dictionary.
- G. Maintain the Manual and Information Dictionary Users Guide developed during Takeover (see Exhibit A, Attachment I, Takeover, Section 1.12.5, Information Dictionary Users Guide). These documents shall specify standards and procedures the Contractor uses to maintain the Information Dictionary.

3.15 INFORMATION FILE LAYOUT DESCRIPTIONS MANUAL

The Contractor shall maintain and update an Information File Layout Descriptions Manual, to be submitted during Takeover, in which every information file in Enrollment/Disenrollment Processing shall be defined. At a minimum, the following items shall be included:

- A. A record layout schematic, precisely identifying the location of each information element in the record. Information elements are to be identified by the information element name appearing in the Information Dictionary.
- B. Definition and processing intent.

C. Average number of records contained.

3.16 INTEGRATED TESTING

3.16.1 INTEGRATED TEST PROCESS

To ensure the Enrollment/Disenrollment Processing operates according to CDHS and federal regulations and statutes, the Contractor shall maintain an integrated test environment, and shall fully test process changes prior to implementation in the production environment.

The integrated test process is an environment used to test process changes before promoting those changes into the production process. The environment shall include a test (mirror) version of processes that are identical to the production environment.

To aid the CDHS in monitoring the process's accuracy, the CDHS reserves the right to utilize live transactions using de-identified information to test the Contractor's performance if necessary. This will include the establishment, by the CDHS, of test providers, applicants and beneficiaries on production files, as well as the submission of test information, and inquiries to the production process. The live-transaction testing process will be utilized by the CDHS, without notice to the Contractor, to assure that the test replicates results expected in the production environment.

3.16.2 INTEGRATED TEST PROCESS – CDHS RIGHTS

The CDHS reserves the right to:

- A. Test operations activities by submitting test inputs, modifying test files, and reviewing process outputs.
- B. Obtain for independent analysis any test information being used by the Contractor.
- C. Review and approve test results prior to the Contractor promoting changes to production.
- D. Attend Contractor walkthroughs to validate test case and test case results for accuracy and quality.

3.16.3 INTEGRATED TEST PROCESS – CONTRACTOR RESPONSIBILITIES

The Contractor shall:

- A. Operate and maintain a complete and current test process, including a test version of processes and test files. At a minimum, the test information shall include a true reflection of daily, weekly, monthly and semi-monthly volumes of enrollment information.

- B. Identify beneficiaries' enrollments and disenrollments used for testing to maintain the integrity of routine enrollment processing operations and files using de-identified information.
- C. Generate test output, including, files, reports, packets, and letters. Output shall be separately identified and clearly labeled. Test outputs shall be separate from routine enrollment outputs and available to the CDHS during business hours within twenty-four (24) hours of the request.
- D. Perform enrollment and disenrollment processing in a simulated production environment.
- E. Provide the CDHS with access to the test environment, test tables, and files, and submit test information independent of notice to the Contractor's testing team.
- F. Accept test enrollment and disenrollment information submitted by the CDHS on hard copy or electronic media, without notice to the Contractor's testing team (i.e., the Contractor is unaware that the test enrollment information has been submitted).
- G. Report on the results of test cycles, including the expected impact of edit and pricing changes, and compare those results to the actual processing results.
- H. Initiate and conduct a walkthrough of process test changes that are ready to be moved into the production environment. Walkthroughs of test cases and results shall include a discussion of programs that are impacted by the process change. The Contractor shall include a demonstration verifying the accuracy of process changes and handouts of test results. Walkthrough materials will be conducted for process changes involving major modifications, or where a significant number of programs and/or files are modified when directed to do so by the CDHS.
- I. Develop and execute CDHS-approved test cases for process changes.
- J. Maintain integrated test facility activities, files, and information elements necessary to meet CDHS requirements and simulate production.
- K. Produce and review control reports generated for each test update and processing cycle.

3.16.4 INTEGRATED QUALITY ASSURANCE (QA) TESTING TEAM

- A. The Integrated QA Testing team shall be responsible for:
 - 1. Developing test plans and test cases to ensure all Enrollment/Disenrollment Processing processing is accurate and complete.

2. Testing all Enrollment/Disenrollment Processing changes and updates prior to their implementation.
3. The resolution of all transactions due to errors caused by process changes and updates that are implemented incorrectly by the Contractor.

B. The Contractor shall:

1. Develop and implement a testing environment and the methodologies required to ensure that testing verifies all components process successfully and independently of each other, and ensures that all processing is compatible with process changes and updates.
2. Ensure an adequate number of QA staff is available to perform all testing, and ensure the testing is complete and accurate. No PG staff are to have testing responsibilities in the integrated testing area. The PG staff shall perform its testing in a testing area that is fully insulated from the QA integrated testing area.
- 3c. Ensure staff employed in the integrated testing team are knowledgeable in Medi-Cal enrollment processing, and familiar with all the components of the Enrollment/Disenrollment Processing (i.e., all the processes to process an enrollment through the Enrollment/Disenrollment Processing including the exception to plan enrollment request process).

3.17 CHANGE REQUIREMENTS

- A. The programs administered in this Contract will be dynamic, and changing programs may require numerous changes to the Enrollment/Disenrollment Processing. High emphasis is placed on the development of a process having the capability to implement such changes in an orderly and timely manner.
- B. The CDHS may at any time notify the Contractor in writing of the need to modify Enrollment/Disenrollment Processing requirements. All but the most fundamental and far-reaching requirements changes shall be implemented within the fixed-price or cost-reimbursed scope of this Contract. Changes to the Enrollment/Disenrollment Processing requirements will be provided to the Contractor via C-Letters or Process Operations Instructional Letters (POILs), which may include a Process Development Notice (PDN).
- C. The CDHS shall require the Contractor to implement changes mandated by policy, regulation, statute, or judicial interpretation. The CDHS requires adequate assurance that a given change has been correctly applied and meets CDHS-approved deadlines. The Contractor shall:
 1. Provide a work plan, change documents and related monitoring efforts for the CDHS approval for all process changes.
 2. Use industry standard project management principles and tools to manage, track and report status of all process change requests.

- D. The CDHS reserves the right to require the Contractor to contract with a CDHS-approved Independent Verification & Validation (IV&V) contractor for the development and/or implementation of large/complex process changes.
- E. For any Contractor-initiated changes, the Contractor shall notify the CDHS prior to implementation, providing CDHS sufficient time to review the change.

3.17.1 PROCESS DEVELOPMENT NOTICES

- A. The CDHS shall use the Process Development Notice (PDN) process to instruct the Contractor to initiate PG development activity. The PDN is used to:
 - 1. Define the parameters of the change
 - 2. Identify the general functional requirements
 - 3. Prioritize the change
 - 4. Determine whether phases and deliverables shall be consolidated
 - 5. Identify prior authorized hours
 - 6. Define the type of acceptance testing and walkthroughs required
 - 7. Stipulate the requested operational date(s)
 - 8. Define any security risks associated with the change

3.17.1.1 GENERAL RESPONSIBILITIES

The Contractor shall:

- A. Prepare and submit a response to the PDN.
- B. The Contractor shall have eight (8) business days from receipt of a written PDN, unless the CDHS authorizes a different time period, to respond to an PDN. In its response, the Contractor shall submit the following:
 - 1. A preliminary estimate of the date when the project can begin in relation to projects currently scheduled for the PG.
 - 2. A preliminary work plan.
 - 3. An assessment of any lower priority projects that must be delayed for implementation of the project and the impact of the delay on the schedules of the lower priority projects. The CDHS reserves the right to postpone and/or terminate a project during any portion of a phase.

4. A preliminary time and cost estimate to assist the CDHS in project priority setting and staff allocation if the Contractor considers this PDN to be a CO. This time and cost estimate shall include developmental costs.
 5. All other information requested by the CDHS in the PDN.
 6. Acknowledgement that the Contractor has a complete understanding of the request or that the Contractor needs further information in order to begin the project.
- C. The Contractor shall not begin work on any PDN without prior written approval from the CDHS.

3.17.2 ESTABLISHMENT OF HOURS

- A. Project hours shall be based upon projected actual work hours exclusive of time off and administrative time. Project hours shall be established for each phase, unless otherwise directed by the CDHS.
- B. The Contractor is required to utilize a project estimation methodology that is comprehensive, verifiable, and straightforward to permit detailed CDHS review of all estimates. The CDHS shall review project estimates and shall approve all estimates before work begins.
- C. The Contractor shall be responsible for providing cost estimates and adhering to those estimates, so long as the project scope does not change. The CDHS shall be billed for actual hours worked.
- D. The CDHS may at any time alter the project scope through a revised PDN and/or cancel an PDN through a C-Letter. The Contractor shall then have eight (8) business days from receipt of the written PDN documentation, unless the CDHS specifies a different time period, to respond to the revised and/or cancelled PDN in the format prescribed above.

3.17.3 PROCESS DEVELOPMENT PHASES

The Contractor shall have primary responsibility for all technical processes and products required for the three (3) primary PDN phases: process analysis/designing, test plan and processes implementation.

3.17.3.1 GENERAL RESPONSIBILITIES

The Contractor's PG shall:

- A. Follow three (3) specified phases in designing, testing and implementing a process change (as described below). The Contractor shall submit all required deliverables to the CDHS at the completion of each phase for review and prior written approval. The CDHS shall provide the Contractor with the formats to be used for each deliverable. The Contractor shall submit all deliverables in the formats provided by the CDHS.

- B. At the CDHS discretion, be required to perform one or more of the pre-process development phases, including but not limited to, Project Definition Analysis (PDA) and General Functional Requirements (GFR).
- C. Provide walkthroughs on deliverables for all phases of process development. Deliverables for each walkthrough shall be distributed to the CDHS two (2) business days prior to the date of the walkthrough. Implementation approval walkthroughs shall be conducted according to a CDHS-approved walkthrough schedule.
- D. Meet the Contract documentation standards established in this section for each required deliverable for each phase. The Contractor shall provide an electronic and a paper copy of each deliverable to the CDHS.

3.17.3.2 PHASE I, PROCESS ANALYSIS

The process analysis phase deliverables shall include process system functional design, project work plan, and preparation and definition of processes and acceptance test criteria.

The Contractor shall conduct walkthroughs for CDHS to ensure the Contractor understands the requirements.

3.17.3.2.1 PROCESS FUNCTIONAL DESIGN (PFD)

In this document, the Contractor shall describe the design approach the staff shall use to produce specifications. The Contractor shall not change the final PFD document without prior written CDHS approval. The PFD shall be approved in writing by CDHS via a Process System Functional Design/Technical Process Design (PFD/TPD). The PFD deliverable shall contain:

- A. A list of all changes, including but not limited to, screens, reports, and document files, to be changed, used, or otherwise affected by the PDN.
- B. A list of all information elements to be changed, used, or otherwise affected by the PDN. Each information element listed shall be identified and described in terms of source and function.
- C. Detailed, specific definitions of all files and information elements referred to in the deliverable.
- D. Step-by-step process definitions, for all processes.
- E. Descriptions of any other PDN output.
- F. Information flow diagrams and process models to help users understand what is changed within the PDN.
- G. Timing and frequency of the process operations involved in the PDN.

- H. Special considerations in developing the TPD.
- I. A Security Risk Assessment performed by the Information Security Officer (ISO) identifying potential threats, and vulnerabilities as a result of the change.

3.17.3.3 PHASE II, TEST PLAN

The Contractor shall develop a detailed test plan describing each of the program areas modified as a result of the process change and how the Contractor intends to verify that the process changes are operating as designed. The test plan deliverable shall describe all testing to be performed. No testing is to be conducted in the absence of a CDHS-approved Test Plan. The Test Plan shall specify at a minimum:

- A. The changes to be tested.
- B. The general information required in order to perform the test.
- C. The inputs needed to perform all tests. The inputs needed for the “expected fail” test (subjecting the new process to conditions that would, according to the project requirements, cause it to discontinue processing) shall be included.
- D. The process to be used to generate test results.
- E. The specific test conditions and expected results.

3.17.3.3.1 TESTING AND TEST RESULTS DOCUMENTATION

The Contractor shall produce individual test protocols and a total test process, which shall assure that all PDN project requirements are met. Testing shall also assist in developing the procedures needed to properly use and to support the process. At a minimum this includes:

- A. Testing all individual programs to ensure that they function correctly. Individual program interaction tests and full process tests shall be performed. The CDHS and PG shall have access to the process-testing environment. The Contractor's control procedures as well as all end-user procedures (including those to be used by the CDHS, if any) shall be developed and tested.
- B. If the CDHS will be involved in independent and/or joint acceptance tests (the CDHS may mandate, or the Contractor request, such involvement), providing all necessary support for the CDHS participation. The testing activities shall follow the outline provided in the Contractor's work plan.
- C. Creating detailed test cases including items to be tested and all applicable pass/fail criteria.

- D. Conducting acceptance testing. Acceptance testing shall be conducted by dedicated staff as required in Section 3.16.4, Integrated Quality Assurance (QA) Testing Team.
- E. Reviewing manual, administrative, and operating procedures. Validate QMP procedures for setting accuracy and error levels and for monitoring compliance.
- F. Validating control procedures.
- G. Creating actual test situations, accurately and fully capturing all test results and outputs, preparing the test results deliverable electronically and submitting the test results to the CDHS according to the project work plan. The deliverable shall contain at a minimum:
 - 1. A summary of the testing results for each test condition documented in the Test Plan deliverable.
 - 2. Run logs.
 - 3. Input and output file information that is formatted for easy review.
 - 4. Test reports, including before and after conditions.
 - 5. File comparisons generated as a result of parallel testing.
 - 6. All back-up documentation pertaining to each condition tested.

3.17.4 PHASE III, PROCESS IMPLEMENTATION

The process implementation phase deliverables shall include the implementation of process changes, monitoring, and post-implementation review.

3.17.4.1 IMPLEMENTATION

Implementation consists of migrating the process changes developed and tested under the PDN process into the production environment, consistent with the CDHS-approved project work plan.

3.17.4.2 POST-IMPLEMENTATION REVIEW (PIR)

The Contractor shall review the newly implemented operations to determine if the submitted product functions in keeping with all requirements and specifications. The review period shall be proposed by the Contractor and approved in writing by the CDHS. The PIR process shall establish whether the project's operational objectives have been met, whether the operational development effort was performed efficiently, whether the cost and completion time were within the project estimates, and whether the process documentation is satisfactory. The post-implementation review deliverable shall contain:

- A. How the review was performed (e.g., reports reviewed, and business work flows).
- B. Significant variances between expected user results and actual process performance.
- C. Variances between estimated and actual costs.
- D. Variances between estimated and actual project work schedules.
- E. All unanticipated operational problems (include details of all reported incident reports associated with the PDN).
- F. Variances between the operational design, as implemented, and the design appearing in the operational documentation.
- G. Recommendations for remedies for significant deficiencies.

3.17.5 PROCESS OPERATIONS INSTRUCTIONAL LETTER

The CDHS shall use the Process Operations Instructional Letter (POIL) to notify the Contractor of changes in the enrollment program policies and/or procedures. These changes in policies and/or procedures may require modifications to the Enrollment/Disenrollment Processing or related functions, including but not limited to, various updates to existing files. The POIL shall also be used to initiate various ongoing process modifications required throughout the Contract that fall within the Contract scope of work.

The Contractor shall provide detailed process and test documentation to the CDHS for review and approval prior to the implementation of the process modifications. The document must adequately demonstrate that the modification is non-interruptive to operations.

3.18 EVALUATION OF MANUALS

- A. The Contractor shall:
 - 1. Demonstrate that all manuals required for the HCO Operations and Enrollment/Disenrollment Processing are available, current, complete, and adequate for the Contractor's environment. CDHS shall review, evaluate and approve all procedures, training, and any other HCO Program documentation.
 - 2. For each manual, provide walkthroughs to CDHS staff given by key Contractor staff from organizational units affected by the manuals.
 - 3. Provide to CDHS staff copies of the manuals or other CDHS-approved presentation materials for the walkthroughs. The number of copies shall be determined by CDHS.

4. Update any manual(s) found to be inadequate by CDHS within the time frames as specified in this Contract.

3.19 PROJECT MONITORING

- A. Project priorities shall be set by the CDHS and communicated to the Contractor. The Contractor shall notify the CDHS when re-prioritization will have a material impact on scheduling and/or when staff re-allocation is needed to meet a planned implementation date. The Contractor shall be responsible for assuring that all required CDHS approvals are obtained on all projects, and that the Contractor staff performs quality work in a timely manner as specified in the project work plan.
- B. The Contractor shall utilize project management tools compatible to the CDHS as a method for project planning, progress assessment and project status reporting to the CDHS. Project tracking report formats shall be provided for CDHS review and written approval. The formats shall be designed using the same phases and deliverables used in the Section 3.17.3, Process Development Phases, above.
- C. The CDHS shall be provided read access to up-to-date versions of all current, past, and proposed future project work plans. The Contractor shall also provide the CDHS copies of detailed work plans on electronic media and/or paper, upon request.

At intervals established by the CDHS the Contractor shall:

1. Provide a status report with the following information for each PS, POIL, CO, emergency fix, and any other non-PDN work items that are the responsibility of the Contractor. These status reports shall be provided on a monthly basis, unless the CDHS specifies a different reporting interval. The status report shall contain, but not be limited to, the following:
 - a. Project tracking number, job title, and a short description of the work.
 - b. Estimated completion date for each major milestone, work item, and/or project phase.
 - c. Revised completion date, if any.
 - d. Current status (most recently completed work item, milestone, and/or project phase).
 - e. Name of each PG staff person assigned responsibility for each work item, milestone, and/or project phase.
 - f. Number of hours each PG staff person worked on each work item, milestone, and/or project phase.

- g. Number of hours for each phase of the project worked by each PG staff person.
 - h. Total number of staff hours worked for the entire project.
 - i. Schedule variance between projected hours to be worked and actual hours worked.
 - j. Priority category of the work item, milestone, and/or project phase.
- 2. The Contractor shall submit status reports for open work items on a weekly basis. Status reports for completed and/or closed work items shall be submitted monthly and shall include only those items completed and/or closed during the month.
 - 3. The ISO shall maintain accurate records of all risk/program assessments and remediation. The ISO must meet monthly to discuss security and privacy with CDHS.

3.20 PROCESS GROUP

To implement required modifications and ongoing maintenance of the Enrollment/Disenrollment Processing and supporting processes, the Contractor shall establish and maintain a local on-site Process Group. The Contractor's PG shall be assigned to permanent duty stations in the Contractor's main operating facility where CDHS staff who have primary PG oversight responsibilities are stationed. PG staff may be assigned to other facilities only while working on a Process Development Notice (PDN), as described in the following paragraph with the Contractor Officer's prior approval.

The PG shall consist of a PG Manager and a sufficient number of staff to meet all Contract requirements. The staff positions within the PG may include, but are not limited to, Process Analysts, Process Testers, and Writers. The Contractor shall also provide the PG with enough administrative staff to meet its administrative needs. Unless otherwise directed by the CDHS, the PG shall work only on the activities identified in this section.

The Contractor shall maintain and update the Process Group Procedures Manual submitted during Takeover.

3.20.1 GENERAL RESPONSIBILITIES

The Contractor's PG shall:

- A. Operate and maintain the Enrollment/Disenrollment Processing and all supporting processes, including infrastructure and telecommunications lines. This responsibility includes, but is not limited to:

1. Updating process files, and adding new structures. Examples of such updates include adding, deleting, and/or modifying county codes, health plan codes, mandatory and non-mandatory beneficiary aid codes and/or zip codes.
 2. Maintaining processes and functions.
 3. Revising the beneficiary assignment algorithm logic and health care plan effective dates.
 4. Adding, deleting, and/or modifying MEDS HCO Program transaction log error codes, and/or beneficiary health plan status codes.
 5. Modifying process file layouts in response to a change in the MEDS file layout.
 6. Maintaining interfaces with the CDHS systems identified in this Contract.
 7. Monitoring and maintaining all telecommunication equipment and lines.
- B. Modify manual procedures as necessary to bring Enrollment/Disenrollment Processing processes into compliance with existing Contract requirements.
- C. Modify manual procedures as necessary to improve Enrollment/Disenrollment Processing functionality.
- D. Develop new Enrollment/Disenrollment Processing functions and procedures, and replace old functions and procedures when additional functionality, speed, stability, etc., as needed.
- E. Maintain and revise existing process-based reports, and develop new reports to reflect process changes.
- F. Complete system modifications required for correction and/or resolution of PSs.
- G. Correct process errors caused by the implementation of process changes, provide operations support to handle production-related failures and/or problems, and perform and/or coordinate all recovery procedures.
- H. Update and maintain all process-related documentation (as described in this section).
- I. Except in emergency situations requiring immediate action, fully comply with all CDHS-mandated oversight, documentation, testing and approval processes when implementing any process change.
- J. Provide user acceptance testing and end user support for all newly implemented process modifications applied to existing processes.
- K. Provide support for CDHS ad hoc query and report requests when those queries and reports cannot be run from the Enrollment/Disenrollment Processing query/reporting interface.

- L. Provide ongoing maintenance of and support for the infrastructure. This includes, but is not limited to, process performance monitoring, capacity planning, process assessments and risk analysis. The Contractor shall conduct process monitoring and analysis/assessment, as needed, but shall also be prepared to conduct process monitoring and analysis/assessment a maximum of once a quarter CDHS-requested assessment per Contract phase. The CDHS may request assessments for reasons that include, but are not limited to, compliance with statutory and/or regulatory requirements, and/or determining process readiness for proposed program changes.
- M. Perform all required process-related quality management assessments.
- N. Provide Takeover and Turnover support.

3.20.2 ADDITIONAL PG STAFF

If the workload within PG requires additional staff or if the workload may be met in a timely manner by using highly specialized personnel, the Contractor may submit a proposal to temporarily increase the staffing levels of the PG. The assignments of these additional staff are subject to CDHS review and approval. The CDHS reserves the right to terminate temporarily assigned staff.

3.21 FORMS PROCESSING

A. The Contractor shall process all forms associated with enrollments and disenrollments received from applicants, beneficiaries, their authorized representatives, counties, managed care health plans and providers per the requirements of this Contract. The Contractor shall enroll eligible beneficiaries into health plans, disenroll eligible beneficiaries from health plans, retain forms for future processing from applicants whose eligibility status had not yet been determined at the time the Choice Form was initially received, process special disenrollment request forms, process exception to plan enrollment forms, and inform applicants/beneficiaries of their health plan membership status, as directed by CDHS.

B. For all forms processed, the Contractor shall:

1. Develop and maintain a Forms Tracking Process (FTP). The FTP shall log and track all Choice Forms, special disenrollment request forms, and exception to plan enrollment request forms as they are received in the Contractor's main operating facility through the entire enrollment process. For any given form, CDHS shall be able to instantaneously locate and verify the stage of processing that each form is in, and the number of days it has taken to process it. The maximum unscheduled downtime for this interface shall be one-half (1/2) hour per week.
2. Maintain a beneficiary information record accuracy rate of ninety-nine percent (99%) for each field in the beneficiary record. Accuracy rates shall be calculated for all fields each month during the term of the Contract. "Accuracy" is defined as an exact correspondence between the

contents of a given field in an applicant/beneficiary information record and the corresponding field on the original form. If the information recorded for that field contains the same information as the form field, that field is deemed to be accurate.

3. Retain on file all signed forms received, as required in Exhibit A, Attachment II, Section 7, Records Retention and Retrieval, and in the format that is approved by CDHS.
4. Use a secure, traceable shipping mode (e.g. Registered Mail) to deliver all forms to applicants/beneficiaries and to deliver forms collected from (at presentation sites) applicants/beneficiaries to the Contractor's main operating facility which contain Social Security Numbers.

3.21.1 CHOICE FORMS

A Choice Form is the document that applicants/beneficiaries complete, sign, and submit to the Contractor in order to enroll into, or disenroll from, a Medi-Cal managed care health and/or dental plan(s).

The Contractor shall:

- A. Transport all completed Choice Forms collected from applicants/beneficiaries at Presentation Sites to the Contractor's main operating facility.
 1. If collected within three (3) business days prior to MEDS cutoff, transport within one (1) business day of the date on which the Choice Forms were collected.
 2. Maintain a one-hundred percent (100%) accuracy rate of transporting all completed Choice Forms collected to the Contractor's main operating facility within the time frame listed in A above.
- B. Record and assign a tracking number (Document Control Number, or DCN) to all Choice Forms within one (1) business day of receipt at the Contractor's main operating facility.
- C. Within one (1) business day of receipt of each Choice Form at the Contractor's main operating facility, review for completeness and accuracy.
 1. Forms that are deemed to be complete and accurate, according to CDHS criteria, shall be processed as follows:
 - a. If the eligibility status of one or more of the case (family) members seeking to enroll in health plan has not been determined (meaning that there is no Medi-Cal Eligibility Data System (MEDS) record indicating Medi-Cal eligibility for those individuals):
 - i. Within two (2) business days of receipt of the Choice Form at the Contractor's main operating facility, place the Choice Form in 'pend' status for up to one-hundred twenty (120) calendar days. If the Choice Form contains a mixture of eligible and ineligible enrollees, only the ineligible enrollees shall be pending.

- ii. Within one (1) business day of placing the Choice Form in 'pend' status, send a "Pend Letter" to the affected enrollees, explaining that their choices cannot be processed until the county through which they applied for benefits has notified the CDHS that they are eligible for benefits and the length of time in which the form will be held in the 'pend' status.
 - iii. Check MEDS each business day during the one-hundred twenty (120) calendar day 'pend' period to see if eligibility information is present for any of the pending Choice Forms.
 - a) If MEDS indicates during the one-hundred twenty (120) calendar day 'pend' period that an enrollee whose Choice Form has been pended has become eligible, process the Choice Form, as described below, within one (1) business day of the receipt of confirmation of eligibility from MEDS.
 - b) If eligibility is not verified by the end of the one-hundred twenty (120) calendar day 'pend' period, remove the Choice Form from 'pend' status within one (1) business day of the one-hundred twenty (120) calendar day time period and send the applicant an "Unable to Process" letter.
 - b. If all or some of the enrollees appearing on the Choice Form are shown on MEDS as eligible for Medi-Cal managed care plan enrollment, process the enrollment transaction for those enrollees within two (2) business days of receipt at the Contractor's main operating facility. Processing means recorded and accepted by MEDS which results in an enrollment and/or disenrollment.
 - c. Process a disenrollment request for a mandatory beneficiary only if the Choice Form indicates a corresponding enrollment into another available health care plan. If a new choice is not indicated, the form shall be processed as incomplete or inaccurate, per the procedures described in 3.21.1.C.2 below.
2. Forms that are incomplete and/or inaccurate according to CDHS criteria shall be processed as follows:
- a. Record the appropriate information into the applicant/beneficiary record within one (1) business day of receipt of the Choice Form at the Contractor's main operating facility.
 - b. If, as required in Exhibit A, Attachment II, Section 1, Customer Service, the Telephone Call Center (TCC) has not been successful in correcting the original incomplete and/or inaccurate form in conjunction with the enrollee who submitted the form, then return the incomplete/inaccurate form to that enrollee within one (1) business day of the final attempt to contact them. Include with the Choice Form returned to the beneficiary an Unable to Process letter explaining that the health plan choice indicated on the form was not honored due to incomplete and/or inaccurate information, and describing the errors present. The letter should also inform

the enrollee how to correct the deficiencies indicated and to return a corrected form.

- c. The Contractor is exempt from the requirement to place telephone calls to a beneficiary/entity if the reason for an incomplete/inaccurate determination is lack of a signature on the form. In this instance, the Contractor is allowed to directly return the form with an Unable to Process letter.
- d. The Contractor's TCC staff may correct the original incomplete and/or inaccurate form using information obtained while speaking with the beneficiary/entity on the phone. The Contractor shall consider the form complete for processing based on corrections received verbally, if the following conditions are met:
 - 1. The form contains an authentic head of household or beneficiary signature.
 - 2. The conversation with the beneficiary/entity has been recorded verbally and documented in writing by the TCC staff.
 - 3. The verification of the authority and authenticity of the caller has been established.
- e. If a form contains a/some complete and accurate choice(s) along with one or more incomplete/inaccurate choice(s), the accurate and complete choice(s) shall be processed as required above in 3.21.1.C.1. Return only the inaccurate/incomplete choices to the enrollee for correction.
- f. Within one (1) business day of receipt of the incomplete/inaccurate form at the Contractor's main operating facility, determine if the beneficiary is on the auto-assignment (default assignment) path. If so, extend the default time line by thirteen (13) calendar days to allow the beneficiary time to correct and return a completed form. If the form is not returned within thirteen (13) calendar days, or the form is returned a second time and is still incomplete and/or inaccurate, the beneficiary shall continue on the auto assignment (default assignment) path.
- g. Within one (1) business day of receipt of the form at the Contractor's main operating facility, place an incorrect/inaccurate disenrollment request (such as one in which a mandatory beneficiary seeks to disenroll from a plan without enrolling into another plan) in 'pend' status for thirty (30) calendar days from the date of receipt in the Contractor's main operating facility to allow the affected beneficiary sufficient time to resubmit a corrected form. If the additional required information or corrections are not received either through the TCC contact or through the mail within the thirty (30) calendar day period, the Contractor shall record the disposition of the request into the information record for the

applicant/beneficiary and not disenroll the beneficiary from the health plan to which they are a member.

- h. Review each returned Choice Form that is received at the Contractor's main operating facility within the time periods specified in 3.21.1.A, B, and C above. If the returned form is found to be complete and accurate according to CDHS criteria, the Contractor shall process that form, as specified above in 3.21.1.C.1. If the returned form is again found to be incomplete and/or inaccurate, the TCC shall again attempt to correct the form in conjunction with the beneficiary who submitted it, as required in Exhibit A, Attachment II, Section 1, Customer Service, and if not successful, the form shall be returned to the beneficiary within one (1) business day of the final telephone contact attempt, as described above in 3.21.1.C.2. No Choice Form shall be returned to a beneficiary more than twice. If a form cannot be processed (due to errors and/or inaccuracies) after having been returned twice, the form shall not be processed, the applicant/beneficiary record updated, and the applicant/beneficiary shall be sent an Unable to Process letter explaining that the form cannot be processed. If the Choice Form involves a mandatory beneficiary, the mandatory beneficiary shall be placed on the default path, the default process explained in the letter, and a request made that the beneficiary either visit an ESR or CBO site, or contact the TCC for assistance.
- D. Verify that all enrollment/disenrollment transactions were accepted by MEDS. Rejected transactions shall be investigated, any discovered errors corrected, and the transactions re-submitted to MEDS within one (1) business day of notification of rejection. The Contractor shall notify the CDHS in writing, within one (1) business day of notification of rejection, if corrected information is re-submitted and again rejected. The rejection reason shall be provided to CDHS at the same time.
- E. Generate the appropriate health plan membership status letter to the applicant/beneficiary indicating the final outcome of their health plan choice within one (1) business day of receiving the MEDS transaction log indicating the status of that applicant/beneficiary's transaction.

3.21.2 SPECIAL DISENROLLMENT REQUEST FORMS

Special disenrollment request forms allow various CDHS-approved entities as well as beneficiaries to request disenrollment from health plan membership for several reasons. These forms include, but are not limited to, Retroactive, Expedited and Plan-initiated Disenrollments. The HCO Data Library contains examples of these forms as well as policy for approval of such forms.

The Contractor shall process all special disenrollment request forms as follows:

- A. Record and assign a tracking number (Document Control Number, or DCN) to all special disenrollment request forms within one (1) business day of receipt of the forms at the Contractor's main operating facility.
- B. Review all received special disenrollment request forms for completeness and accuracy.
 - 1. If the special disenrollment request form is complete and accurate per CDHS criteria:
 - a. Process each special disenrollment request form within two (2) business days of receipt of the form at the Contractor's main operating facility. Processing means that the transaction is recorded and accepted by MEDS.
 - b. The disposition of each transaction request shall also be entered into the information record for each beneficiary within one (1) business day of disposition determination.
 - 2. If the special disenrollment request form is incomplete and/or inaccurate per CDHS criteria:
 - a. Record the appropriate incomplete/inaccurate information into the beneficiary record.
 - b. If, as required in Exhibit A, Attachment II, Section 1, Customer Service, the TCC has not been successful in correcting the original incomplete and/or inaccurate form in conjunction with the beneficiary/entity who submitted the form, then return the incomplete/inaccurate form to that beneficiary/entity within one (1) business day of the final attempt to contact them. Include with the special disenrollment request form returned to the beneficiary/entity an Unable to Process letter explaining that the disenrollment request indicated on the form was not honored due to incomplete and/or inaccurate information, and describing the errors present. The letter should also inform the beneficiary/entity how to correct the deficiencies indicated and return a corrected form. If an entity submitted the form, a copy of the form and notification shall also be sent to the beneficiary.
 - c. The Contractor is exempt from the requirement to place telephone calls to a beneficiary/entity if the reason for an incomplete/inaccurate determination is lack of a signature on the form. In this instance, the Contractor is allowed to directly return the form with an Unable to Process letter.
 - d. The Contractor's TCC staff may correct the original incomplete and/or inaccurate form using information obtained while speaking with the beneficiary/entity on the phone. The Contractor shall consider the form complete for processing based on corrections received verbally, if the following conditions are met:

1. The form contains an authentic head of household or beneficiary signature.
 2. The conversation with the beneficiary/entity has been recorded verbally and documented in writing by the TCC staff.
 3. The verification of the authority and authenticity of the caller has been established.
- e. Within two (2) business days of receipt of the incomplete/inaccurate form, hold the disenrollment request in 'pend' status for thirty (30) calendar days to allow the entity which submitted it time to resubmit a complete and accurate form. If the additional required information or corrections are not received within the thirty (30) calendar day period, the Contractor shall record the disposition of the request into the information record for the beneficiary and cancel the disenrollment request.
- C. Review each returned special disenrollment request form that is received. If a form is found to be complete and accurate according to CDHS criteria, the Contractor shall process that form, as specified above in 3.21.2.B.1. If the returned form is again found to be incomplete and/or inaccurate, the TCC shall again attempt to correct the form in conjunction with the beneficiary/entity who submitted it, as required in Exhibit A, Attachment II, Section 1, Customer Service and if not successful, the form shall be returned to the beneficiary/entity within one (1) business day of the final telephone contact attempt, as described above in 3.21.2.B.2.b. No form shall be returned more than twice. If a form cannot be processed (due to errors and/or inaccuracies) after having been returned twice, the form shall not be processed, and the beneficiary/entity shall be sent an Unable to Process letter explaining that the form cannot be processed, and requesting that the beneficiary either visit an ESR or CBO site, or contact the TCC for assistance. If an entity submitted the form, a copy of the form and notification shall also be sent to the beneficiary.
- D. Via the forms processing function as defined in the Business Requirements located in the HCO Data Library, submit to MEDS all approved disenrollment information processed within one (1) business day of the date the information was recorded. The Contractor shall then verify that the submitted transactions were accepted by MEDS. Rejected information shall be investigated, and resolved as stated in 3.21.1.D above.
- E. Mail the appropriate health plan membership letter to the beneficiary, and if submitted on behalf of the beneficiary by another entity, to the entity as well, indicating the final outcome of their disenrollment request within one (1) business day of receiving the MEDS transaction log indicating the status of that beneficiary's transaction.

3.21.3 EXCEPTIONS TO PLAN ENROLLMENT

State regulations allow some beneficiaries with mandatory aid codes to be exempt from health plan membership. These regulations allow beneficiaries with certain medical conditions and/or other issues to either remain in or return to Fee-For-Service (FFS) health care for up to twelve (12) months. The State regulations and medical conditions that allow these exceptions to plan enrollment are detailed further within Title 22, California Code of Regulations, Section 53887. Beneficiaries who believe they qualify under applicable State regulations for such an exemption from health plan enrollment are required to submit an exception from plan enrollment request and/or waiver form to the Contractor requesting they remain in FFS or be disenrolled from the health plan to which they are a member.

The Contractor shall process all exception to plan enrollment request forms as follows:

- A. Record and assign a tracking number (DCN) to all exception to plan enrollment request forms within one (1) business day of receipt at the Contractor's main operating facility.
- B. Within one (1) business day of assigning a DCN to the form, record all required information, along with the disposition of each exception to plan enrollment request form, into the information record for each applicant/beneficiary.
- C. Within two (2) business days of receipt of the form at the Contractor's main operating facility, review all received exception to plan enrollment request forms for completeness and accuracy.
 1. If the medical exception to plan enrollment request form is complete and accurate per CDHS criteria (to include validation of provider numbers against the CDHS Provider Master File (PMF), access for which will be provided by the CDHS), the Contractor shall:
 - a. Process each medical exception to plan enrollment request form within three (3) business days of receipt of the form at the Contractor's main operating facility. Processing means that the transaction is recorded and accepted into the information record for each individual applicant/beneficiary, and if the request is approved by the CDHS, received and accepted by MEDS.
 - b. Forward each request form to the CDHS for review and approval within two (2) business days of receipt of the form at the Contractor's main operating facility.
 - c. The disposition of each transaction request shall also be recorded into the record for each individual applicant/beneficiary.
 2. If the dental exception to plan enrollment request form is complete and accurate per CDHS criteria, transmit the form to the CDHS Dental

Managed Care staff within two (2) business days of receipt at the Contractor's main operating facility.

3. If the medical or dental exception to plan enrollment request form is incomplete and/or inaccurate per CDHS criteria:
 - a. Within two (2) business days of receipt of the form at the Contractor's main operating facility, record the appropriate incomplete/inaccurate information into the beneficiary record.
 - b. If, as required in Exhibit A, Attachment II, Section 1, Customer Service, the TCC has not been successful in correcting the original incomplete and/or inaccurate form in conjunction with the beneficiary/entity who submitted the form, then return the incomplete/inaccurate form to that beneficiary/entity within one (1) business day of the final attempt to contact them. Include with the exception to plan enrollment form returned to the beneficiary/entity an Unable to Process letter explaining that the exception to plan enrollment request indicated on the form was not honored due to incomplete and/or inaccurate information, and describing the errors present. The letter should also inform the beneficiary/entity how to correct the deficiencies indicated and return a corrected form. If an entity submitted the form, a copy of the form and notification shall also be sent to the beneficiary.
 - c. The Contractor is exempt from the requirement to place telephone calls to a beneficiary/entity if the reason for an incomplete/inaccurate determination is lack of a signature on the form. In this instance, the Contractor is allowed to directly return the form with an Unable to Process letter.
 - d. The Contractor's TCC staff may correct the original incomplete and/or inaccurate form using information obtained while speaking with the beneficiary/entity on the phone. The Contractor shall consider the form complete for processing based on corrections received verbally, if the following conditions are met:
 1. The form contains an authentic head of household or beneficiary signature.
 2. The conversation with the beneficiary/entity has been recorded verbally and documented in writing by the TCC staff.
 3. The verification of the authority and authenticity of the caller has been established.
 - e. Within two (2) business days of receipt of the incomplete/inaccurate form at the Contractor's main operating facility, hold the exception to plan enrollment request in 'pend' status for thirty (30) calendar days to allow the beneficiary/entity who submitted it time to resubmit a

complete and accurate form. If the additional required information or corrections are not received within the thirty (30) calendar day period, the Contractor shall record the disposition of the request into the information record for the beneficiary and cancel the exception to plan enrollment request.

- f. Review each returned exception to plan enrollment request form that is received. If a form is found to be complete and accurate according to CDHS criteria, the Contractor shall process that form, as specified above. If the returned form is again found to be incomplete and/or inaccurate, the TCC shall again attempt to correct the form in conjunction with the beneficiary/entity who submitted it, as required in Exhibit A, Attachment II, Section 1, Customer Service, and if not successful, the form shall be returned to the beneficiary/entity within one (1) business day of the final telephone contact attempt, as described above in 3.21.3.C.3.b. No form shall be returned more than twice. If a form cannot be processed (due to errors and/or inaccuracies) after having been returned twice, the form shall not be processed and the beneficiary/entity who submitted it shall be sent an Unable to Process letter explaining that the form cannot be processed. If the Choice Form involves a mandatory beneficiary who is not already a member of a health plan, that mandatory beneficiary shall be placed back on the auto assignment (default assignment) path, the Unable to Process letter shall explain the default process, and request that the beneficiary either visit an ESR at an HCO site, or contact the TCC for assistance. If an entity submitted the form, a copy of the form and notification shall also be sent to the beneficiary.
- D. Forward processed medical exception to plan enrollment request forms requiring CDHS review to the CDHS office designated to perform the required reviews. The amount of time taken by the CDHS to review exception to plan enrollment forms will not be counted against the Contractor's three (3) business day processing requirement, appearing in 3.21.3.C.1.a above.
- E. Forward information reflecting the disposition of medical exception to plan enrollment request forms to MEDS within one (1) business day from the date the information was recorded into the applicant/beneficiary's information record, and verify that the transaction was accepted by MEDS. Investigate and resolve all rejected submissions as stated in 3.21.1.D above.
- F. Mail the appropriate health plan membership letter to the beneficiary, and if submitted on behalf of the beneficiary by another entity, to the entity as well, indicating the final outcome of their exception to plan enrollment request within one (1) business day of receiving the MEDS transaction log indicating the status of that beneficiary's transaction.

3.22 BENEFICIARY AUTO-ASSIGNMENT

The Contractor shall auto-assign mandatory beneficiaries if they do not submit a complete and accurate Choice Form in a timely manner or have not been granted an approval of their exception to plan enrollment request. Auto-assigning

mandatory beneficiaries after forty (45) days assures that they will have a minimum of thirty (30) days to make a choice, as required by Title 22. To be subject to auto-assignment, beneficiaries must reside in a county and/or other service area that is subject to the mandatory HCO Program, and must fall into a mandatory aid code category. If a beneficiary designated with a mandatory aid code fails to either submit a completed Choice Form, or to obtain approval of an exception to plan enrollment request, within the time period established by the CDHS, the Contractor shall enroll that beneficiary into one of the available managed care plans in the beneficiary's county of residence, within the time frame and using the auto-assignment algorithm established by the CDHS.

The Contractor shall notify beneficiaries in writing that they have been enrolled in a health plan, the reasons that enrollment occurred, and the effective date of that enrollment. The Contractor shall also advise beneficiaries of the process they are to use if they wish to disenroll from the health plan to which they were auto-assigned (default-assigned), and to enroll into another available health plan.

3.23 HEALTH PLAN MEMBERSHIP STATUS LETTERS

The Contractor shall provide health plan membership status letters, to applicants, beneficiaries and the entities who submitted the request forms on their behalf, in the following instances:

- A. Within one (1) business day on which enrollment and/or disenrollment information is either accepted or rejected by MEDS and/or the CDHS due to the following methods:
 - 1. Plan enrollment via the auto-assignment (default) process
 - 2. Choice Form processing
 - 3. Special disenrollment request form processing
 - 4. Exception to plan enrollment request form processing
- B. In accordance with Exhibit A, Attachment II, Section 2.5, Mailing Functions, within three (3) business days of receipt of the daily new eligibles file, provide the Intent to Assign and/or Welcome to Medi-Cal Managed Care Letters to the beneficiaries contained therein. These letters shall be provided along with applicable packet materials.
- C. In conjunction with Exhibit A, Attachment II, Section 1,4.3.C, Telephone Call Center Standards, within thirteen (13) business days of providing the Intent to Assign Letter and HCO Informing Materials to mandatory beneficiaries with no response received indicating a choice in enrollment, provide the appropriate Follow-Up Letters to the beneficiaries.
- D. A beneficiary who is a member of a Medi-Cal managed care health plan but who has become ineligible for benefits shall receive a notice explaining the date eligibility expired and the last date of health plan enrollment within ten (10) calendar days of the Contractor's notice of loss of eligibility.

- E. Exception to plan enrollment approval time frames are approaching their expiration dates. Notices to beneficiaries in this category shall be mailed forty-five (45) days before their exception to plan enrollment time frames are set to expire.
- F. Enrollment status has not changed for a twelve (12) month period of time. Beneficiaries in this category shall be sent an Annual Renotification Letter, ten (10) months after their enrollment anniversary date, informing them of the full range of their health care options, and of their right to exercise those options at any time.
- G. The health care choices in a service area may change due to the departure of one or more plans from that service area(s), the establishment of one or more new plans in that service area(s), and/or other non-routine program changes. Beneficiaries shall be notified of non-routine changes such as these via Special Mailings, as directed by the CDHS.

4.0 QUALITY MANAGEMENT PROGRAM

4.1 OVERVIEW

The Contractor shall establish a comprehensive Quality Management Program (QMP) to measure, review and report the Contractor's overall levels of performance within each area of Contract responsibility. The QMP shall complement the California Department of Health Services (CDHS) monitoring activities, and shall provide for oversight of all corrective actions required to ensure Contract compliance. This program shall be a separate and distinct operation whose staff reports directly to the Contractor's Representative. The program and its staff shall be autonomous from all other Contract operations and shall only perform quality management functions.

4.2 OBJECTIVES

The Quality Management Program shall:

- A. Ensure that all HCO operational areas meet or exceed minimum quality assurance (QA) standards;
- B. Ensure continuous and routine measurement of the HCO Operations to verify Contractor's compliance with all Contract responsibilities and requirements;
- C. Ensure that the Contractor's performance standards are regularly monitored, evaluated, and revised so that they continue to prevent deviations from the goal of timely, accurate, effective and efficient compliance with Contract requirements;
- D. Ensure that performance problems in any operational area are detected, described, and tracked, and that effective corrective action plans are drafted and implemented for every problem identified;
- E. Ensure that communication and dissemination of QA and improvement information occurs throughout all levels of the Contractor's operations and concurrently to the CDHS; and
- F. Ensure that the Contractor's QMP is certified to the International Organization for Standardization (ISO) Quality Management Standards.

4.3 ASSUMPTIONS AND CONSTRAINTS

The CDHS retains the right, at any time during this Contract, to expand, reduce, and/or delete any report and/or the data elements in any report, as well as the reporting schedule of any report to be produced under this Contract. CDHS will provide the Contractor written notice of any additions, deletions, and reductions in reports and data elements within reports. The CDHS also retains the right to instruct the Contractor at any time to produce reports not otherwise presented in this Contract.

4.4 GENERAL RESPONSIBILITIES

The Contractor shall:

- A. Develop and implement a process for tracking and reporting its achievement in meeting all requirements as stated in this section.
- B. Establish a comprehensive QMP to ensure compliance with all Contractual requirements, including, but not limited to providing applicants/beneficiaries with timely and accurate informing materials and customer assistance, assuring that all enrollment and disenrollment requests are promptly and accurately fulfilled, and processing all enrollment-related forms and documents promptly and correctly.
- C. Ensure that all areas of the HCO Operations under this Contract are monitored, regardless of whether requirements and/or performance standards are specified in this Contract. If the Contractor determines that it is not feasible to monitor all operational areas (with the exception of the four (4) key-operational areas listed in 4.4 C (1) below that are required to be monitored monthly) on a monthly basis, it shall provide the CDHS with a feasibility study supporting this conclusion no later than one (1) month after CED. Once the CDHS approves this study, it shall direct the Contractor to conduct its monthly QA monitoring as follows:
 1. Monitor the group of four (4) key-operational areas identified below on a monthly basis:
 - a. Enrollment/Disenrollment Processing
 - b. Information Updates
 - c. Customer Service
 - d. HCO Informing Materials Mailed
 2. Monitor, on a monthly basis, an additional group of HCO operational areas randomly selected from the population of all remaining operational areas, using a valid, CDHS-approved random selection method. The number of members in this group will be determined when the CDHS approves the Contractor's random selection methodology.
 3. The group of operational areas from which monthly QA monitoring samples are to be drawn, and the method to be used to identify those areas, shall be provided to the CDHS no later than one (1) month after CED, within the Quality Assurance Plan. The CDHS retains the sole discretion to approve the list of operational areas to be sampled each month. The population of operational areas that shall be subject to monitoring shall not be restricted to those areas for which requirements and performance standards exist in this Contract. Some operational areas in this population may not have standards or requirements written into the Contract. Following CDHS approval of the list of operational areas to be sampled each month, the Contractor shall

prepare complete QA audit plans for each area on that list. The pass-fail thresholds in all such audit plans shall be consistent with applicable Contract requirements in all cases where applicable Contract requirements exist. When no applicable Contract requirement(s) exist, the Contractor shall propose appropriate pass-fail audit thresholds which shall then be considered Contract requirements to be met or exceeded each month. Audit plans for all operational areas on the Contractor's list shall be submitted to the CDHS within thirty (30) calendar days of the date on which the CDHS approves the operational area list. Following CDHS approval of the audit plan, that plan shall be added to the Quality Assurance Plan (which is described in 4.6.1). The list of operational areas to be sampled and audit plans, including applicable pass-fail thresholds, shall be submitted and approved in accordance with the requirements set forth in Exhibit A, Attachment I, Takeover, Section 1.13.1, Quality Assurance Plan.

- D. Ensure that any and all instances of failed QA audits are both reported via the QA reporting process described in this section, and processed according to the provisions contained in Exhibit B, Attachment I, Special Payment Provisions. The performance of all operational areas are precedent-to-payment, and any failure of an operational area discovered during the course of the QA audits performed under the terms of this section shall trigger the precedent-to-payment process, as described in Exhibit B, Attachment I, Special Payment Provisions. This requirement applies equally to the operational areas that are subject to required monthly audits, and to the operational areas that are audited as a result of being included in a monthly random sample of additional operational areas selected for audit.

4.5 QUALITY ASSURANCE UNIT

The Contractor shall organize and maintain, for the term of the Contract, a Quality Assurance Unit to coordinate, conduct, and report the results of QA monitoring under the terms of this Contract.

The QA Unit and its staff shall be:

- A. A separate and centrally located unit reporting directly to the Contractor Representative.
- B. Headed by a management representative who has the authority and responsibility for administering the QMP. No other Contractor organizations shall report to this management representative. The goal of the QA Unit will be to adhere to best industry QA practices. The QA Unit management and staff shall be insulated from any internal pressures to compromise best practices for any reasons whatsoever. The QA Unit must have the authority to apply all approved QA procedures and pass-fail thresholds objectively and to report the results obtained without having to consider the reactions of the management and staff in the monitored operational areas.
- C. Sufficiently capable and experienced in general statistical sampling and analysis, and specific QA methods to ensure that the Contractor's QMP meets all

generally accepted industry QA standards.

4.5.1 QUALITY ASSURANCE UNIT RESPONSIBILITIES

The QA Unit's responsibilities shall include, but not be limited to:

- A. Using QMP audits to measure and review Contractor and subcontractor performance in each operational area.
- B. Reporting to the CDHS and Contractor Representative regarding compliance.
- C. Interfacing with CDHS monitoring activities.
- D. Overseeing the implementation of corrective action plans.
- E. Objectively and systematically measuring and reporting on process and HCO Operations performance, as well as reviewing HCO Operations policies and procedures for the purpose of providing recommendations.
- F. Identifying and tracking processes, HCO Operations, and/or performance problems.
- G. Communicating and disseminating QA and improvement information throughout all levels of Contractor and subcontractors HCO Operations, and to the CDHS.
- H. Preparing and submitting required reports to the CDHS under the signature of the Contractor's Representative.
- I. At the CDHS request, making available all working papers that support any and/or all QA findings.

4.6 QUALITY ASSURANCE STANDARDS AND PROCEDURES MANUAL (QASPM)

This manual shall include the Quality Management Program Plan, the Quality Management Program organizational structure, policies, standards, procedures, and methodologies, statistical and mathematical formulas and calculations used in the QA monitoring process, and error rate limits for each area of the Contractor's and all subcontractors' operations.

The Contractor shall:

- A. Update the QASPM annually, with updates submitted for CDHS review and approval by January 15th of each Contract phase. The Contractor shall continue to adhere to the requirements contained in the latest approved QASPM, pending CDHS written approval of the updated manual.
- B. Ensure the QASPM is continuously updated and maintained to reflect all new procedures, changes, and methodologies. All updates shall be subject to CDHS review and written approval. If the CDHS has not provided written approval within ten (10) business days of receipt of the approval request, the Contractor may implement the change without written CDHS approval.

- C. Implement no new or modified QA procedures prior to obtaining written CDHS approval to do so. To submit proposed QA procedure changes to the CDHS for approval, the Contractor shall submit to the CDHS the new and/or revised QASPM sections and the corresponding currently approved sections covering those procedures, along with a cover letter requesting review and approval. The cover letter shall provide additional information, such as why the change is necessary and/or desirable. If the CDHS has not provided written approval within ten (10) business days of receipt of the approval request, the Contractor may implement the change without written CDHS approval.
- D. Follow the QA procedures modification process described above to bring new operational areas under the purview of the QASPM. No action shall be taken until the proposed change is approved in writing by the CDHS. The Contractor shall request CDHS approval by submitting the new QASPM sections covering the new areas, along with a cover letter requesting review and approval, to the CDHS. If the CDHS has not provided written approval within ten (10) business days of receipt of the approval request, the Contractor may implement the change without written CDHS approval.
- E. Maintain the QASPM to encourage maximum Contractor staff usage.
- F. Ensure that QASPM procedures consist of specific, detailed, easy-to-follow steps.
- G. Ensure the QASPM be incorporated into everyday operations of all units within the Contractor's and subcontractor(s)' HCO Operations. The procedures shall be made available to all new staff as a reference tool in each applicable work area(s).
- H. Ensure that all QMP documentation is available for CDHS review at any time.
- I. Maintain a copy of the QASPM in the Contractor's Master Library.

4.6.1 QUALITY ASSURANCE PLAN

The Contractor shall develop and maintain the Quality Assurance Plan, to be included in the QASPM, by which the Contractor and subcontractors shall ensure that Contract requirements are met and that processes are in place to assure continuous quality improvement. The QA Plan shall include, but not be limited to:

- A. QA procedures. These procedures shall be continuously updated and submitted to the CDHS for review and written approval during Takeover, as well as by January 15th of each Contract phase. No QA procedures change is to be implemented without prior written CDHS approval. If the CDHS has not provided written approval within ten (10) business days of receipt of the approval request, the Contractor may implement the change without written CDHS approval.
- B. The data sampling tools, procedures and designated pass-fail threshold for each operational area evaluated under the terms of the QA Plan.
- C. Sampling methods designed to yield samples large enough to produce ninety-

five percent (95%) confidence intervals with precision levels of plus or minus two percent (2%). Sampling methods shall be described in step-by-step detail in the QASPM as described below in this section.

- D. The procedures used to identify, research, report and correct problems, i.e., areas in which contractual requirements were not met.
- E. The procedures used to evaluate and improve the Contractor's and subcontractor's staff performance (both system and non-system Operations). If an automated system is proposed, also apply requirements specified in Exhibit A, Attachment II, Section 10, Health Plan Enrollment (HPE) Process.

The Contractor must ensure that the QA procedures comply with ISO standards, upon CED, by maintaining, at a minimum, six (6) documented procedures that best suit the needs of the Contractor as applied to the HCO Program. The Contractor shall attain ISO certification within twelve (12) months of the CED. Any subcontractor to the Contractor that is responsible for complying with significant portions of any operational standard, as defined by the CDHS, must also be ISO certified upon execution of the subcontract. The Contractor may execute subcontracts with non-ISO certified entities, so long as certification is obtained within twelve (12) months from the execution of the subcontract(s). No subcontractor may remain uncertified for more than twelve (12) months without written authorization from the CDHS to do so. Subcontractors retained by the Contractor prior to the CED shall have twelve (12) months from the CED to obtain certification, unless written authorization is obtained from the CDHS. The Contractor shall ensure that all such subcontractors shall be ISO certified within twelve (12) months of the CED, or provide the CDHS a written finding that the quality assurance standards and procedures used by the subcontractor(s) are substantially equivalent to ISO standards and procedures in all operational areas that are material to the requirements of the subcontract(s).

4.6.2 QUALITY ASSURANCE REVIEW

The QA Plan shall provide the Contractor with the policies and procedural framework it needs to:

- A. Audit all areas of the HCO Operations under this Contract using continuous and routine measurement, which is designed to determine whether the Contractor has achieved compliance with all Contract requirements, including accuracy and timely performance rates, in each area of Contractor responsibility.
- B. Monitor the Contractor's ability to meet all applicable QA standards, even in any operational areas where no Contract requirements or performance standards exist. The Contractor shall establish QA standards for accuracy, timeliness, and any other relevant parameters, for operational areas that lack sufficient Contract requirements and standards.
- C. Specify methods to monitor Contractor and subcontractor performance appropriate to the function being tested. The goals of the monitoring process are to measure the ability of the Contractor's systems and processes to meet

Contract requirements, and to identify and improve inefficient systems and processes, even when the systems and processes comply with Contract requirements. All QA samples shall be statistically valid and randomly selected. Samples shall be of sufficient size to produce ninety-five percent (95%) confidence intervals with no more than a two percent (2%) error rate.

1. Base sample sizes on actual volumes of workload for the month prior to the report month.
 2. Report each specific set of QA audit results using two significant digits.
 3. Describe the sampling, testing, and reporting methods used in step-by-step detail in the QASPM. Descriptions must use standard mathematical and statistical notation and terminology, but they must also be written for the non-technical reader. The CDHS may require the Contractor to follow each technical, formal description with a less technical, more widely accessible description.
- D. Monitor internal standards by use of a control process designed by the Contractor and approved by the CDHS for the term of the Contract.
1. The control process shall include the tracking and monitoring of processes and procedures requiring change or remediation for Contractor compliance with Contract requirements, and conversely, to include any process or procedure deemed by the CDHS to impact its ability to adequately monitor the Contractor's compliance with Contract requirements.
 2. The control process shall be designed with clearly defined procedures and reportable outcomes including a mechanism to ensure that any process or procedure change or remediation to be tracked, monitored and designated for implementation or closure within the control system, whether initiated by the Contractor by the CDHS, is approved in writing by the CDHS prior to the Contractor's implementation or closure. If the CDHS has not provided written approval within ten (10) business days of receipt of the approval request, the Contractor may implement the change without written CDHS approval.
 3. Representatives of the CDHS shall be included in the design and implementation phases of the control process.
 4. After implementation, CDHS staff shall continue as designees to represent the CDHS for all matters related to the overall processes and procedures of the control process.
 5. Any changes or modification to the control system subsequent to its initial implementation shall be approved in writing by the CDHS prior to implementation. If the CDHS has not provided written approval within ten (10) business days of receipt of the approval request, the Contractor may implement the change without written CDHS approval.
- E. The Contractor shall not attribute shortcomings revealed by the QA Plan to "human error." Instead, the Contractor shall determine the root cause(s) of the

error(s) discovered, and shall develop systematic processes to eliminate these errors. A Problem Statement (PS) shall be generated if a process is not operating as designed or intended, and a corrective action plan submitted each time error rates are out of compliance with applicable contractual requirements and/or QA thresholds established in the QA Plan.

4.6.3 QUALITY ASSURANCE PERFORMANCE MEASUREMENT

The Contractor shall:

- A. Measure its performance on a monthly basis in the four (4) key-operational areas as listed above and detailed below, in Section 4.7, Quality Assurance Key Operational Areas, as well as in one or more additional randomly selected areas. The number of areas randomly selected for review each month shall be approved by the CDHS and documented in the QASPM. However, each non-key operational area shall be reviewed at least quarterly.
- B. Ensure that all sampling performed for purposes of meeting the requirements of this Contract produces unbiased, statistically valid random samples, and that all analysis of the QA data collected employs standard inferential statistical methods, and complies with specifications and standards found above in 4.6.2 Quality Assurance Review, and in the Contractor's QASPM.
- C. Ensure that any errors revealed by QA monitoring are described (by type, when possible), incorporated into error rates and clearly reported in the MQAPR, which is described later in this Contract section. A PS shall be generated for all cases in which error rates are out of compliance with applicable contractual requirements and/or thresholds established in the QA Plan.
- D. Ensure the CDHS access, upon request, to the Contractor's QA working papers.
- E. Ensure that all QA pass-fail thresholds take into consideration all applicable Contract and other policy requirements, and that QA data collection methods are designed to prevent the introduction of errors that do not exist in the data set from which the sample is being drawn.
- F. Utilize a standard format for reporting QA results in the Monthly Quality Assurance Performance Report (MQAPR). That format shall provide for the clear identification of the applicable pass-fail threshold(s), the QA score(s) obtained, and the final test result(s) (pass or fail). The standard reporting format shall also include an area for an optional discussion of the results obtained, such as unusual or extenuating circumstances or recommendations.

4.7 QUALITY ASSURANCE KEY OPERATIONAL AREAS

The Contractor's performance in the following four (4) key-operational areas shall be measured and the results reported monthly in the MQAPR.

4.7.1 ENROLLMENT/DISENROLLMENT PROCESSING

Unbiased, statistically valid random samples shall be drawn from, but not limited to,

Choice Forms, Special Disenrollment Request Forms and Exception to Enrollment Request Forms processed during the month. A sample shall be drawn from the population of each form type. Processing includes the handling of these forms received from all sources, including those received from applicants whose eligibility status has not been determined as of the date of receipt of the form. The Contractor shall submit one PS each month that documents all forms processing errors discovered during that month's performance sampling. The QA evaluation of the forms processing function shall consider both timeliness and accuracy, as follows:

A. Timeliness

1. The Contractor shall:

- a. Determine the date when each form is received at the Contractor's main operating facility for processing.
- b. Determine the date the processed transaction from each form is accepted into MEDS.
- c. Determine the number of business days that elapsed between these two dates.
- d. Determine the number of cases in which the number of days that elapsed between the receipt of the form and the subsequent transaction exceeded applicable Contract requirements and/or QA pass-fail thresholds found in the QA Plan.
- e. Calculate population-level accuracy rate for each form type using standard inferential statistical techniques.
- f. Record and report each of the above results in the MQAPR, and compare each to the corresponding Contract requirements appearing in Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing and Section 10, Health Plan Enrollment Process, (if an automated system is proposed and accepted as part of this Contract) of this Contract.
- g. Generate one (1) PS for each timeliness standard that did not meet Contract requirements as specified in Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing and Section 10, Health Plan Enrollment Process (if an automated system is proposed and accepted as part of this Contract).

When a Choice Form, Special Disenrollment Request Form, or Exception to Enrollment Request Form is returned to applicant/beneficiary for correction and/or completion, all business days from the date the form is mailed to the applicant/beneficiary to the date the corrected form is received from the applicant/beneficiary shall be subtracted from the overall forms processing time period.

B. Accuracy

1. The Contractor shall compare the original Choice Form, Special

Disenrollment Request Form and Exception to Enrollment Request Forms from the random sample with the corresponding data entered or scanned into the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract) from those forms.

2. The Contractor shall:

- a. Determine all exceptions found, including QA pass-fail thresholds found in the QA Plan that were not met.
- b. Using standard inferential statistical methods, determine a monthly accuracy rate for the population of Choice Forms, Special Disenrollment Request Form and Exception to Enrollment Request Forms processed during the month.
- c. Determine all exceptions listed by error type. The Contractor shall record the Client Index Number (CIN), Document Control Number (DCN), applicant/beneficiary's county, transaction type, such as enrollment or disenrollment, data field and affected health plan (identified by name and plan number) for each exception; however, it shall not include this information in the MQAPR but make it available to CDHS upon request.
- d. Calculate population-level accuracy rate using standard inferential statistical techniques.
- e. Record and report each of the above results in the MQAPR, except for the PHI and/or confidential data which shall be available upon request by the CDHS, along with all steps necessary to correct the error(s), and compare each to the corresponding Contract requirements appearing in Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing and Section 10, Health Plan Enrollment Process (if an automated system is proposed and accepted as part of this Contract), of this Contract.
- f. Generate one (1) PS for each accuracy standard that did not meet Contract requirements as specified in Exhibit A, Attachment II, Section 5, Problem Correction Process.

4.7.2 INFORMATION UPDATES

4.7.2.1 DAILY ELIGIBLE AND MONTHLY RECONCILIATION FILES

The Contractor shall draw an unbiased, statistically valid random sample from all Daily Eligible and Monthly Reconciliation files for the prior month of eligibility. The Contractor shall compare the information in this sample to the corresponding information in the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract) to determine whether the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract) information accurately reflects the information in the daily and reconciliation files.

A. Accuracy

1. The Contractor shall:

- a. Compare the results of the analysis for each applicant/beneficiary's eligibility determination in the sample with the medical and/or dental plan enrollment status shown for that applicant/beneficiary in the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract).
- b. Determine the eligibility of each applicant/beneficiary in the sample for managed care plan membership by using all applicable Contract sections and all applicable policy directives from the CDHS. These include, but are not limited to, the following:
 - a. Aid code
 - b. County and zip code of residence
 - c. Whether the applicant/beneficiary submitted a Choice Form, Special Disenrollment Request Form, Exception to Enrollment Request Form or Special Plan Enrollment/Disenrollment Request Form prior to eligibility determination, and, if so, whether the choice(s) made on that form were correctly honored when that beneficiary's eligibility information was transmitted to the Contractor in a daily or reconciliation file, and whether additional packet mailings to that beneficiary were suppressed.
 - d. Exemption status
 - e. All other applicable indicators
- c. Determine the number of cases in which the corresponding information in the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract) does not accurately reflect the information in the daily and reconciliation files, and in which the QA pass-fail thresholds found in the QA Plan that were not met.
- d. Calculate population-level accuracy rate using standard inferential statistical techniques.
- e. Report the above results in the MQAPR, except for the PHI and/or confidential data which shall be available upon request by the CDHS. The Contractor shall record the CIN, aid code, plan membership status, exemption status, and the outcome of the analysis described in this paragraph for each beneficiary within the sample.
- f. Generate one (1) PS per applicant/beneficiary whose eligibility determination does not match the medical and/or dental plan enrollment status shown for that applicant/beneficiary in the Enrollment/Disenrollment Processing or the

HPE Process (if an automated system is proposed and accepted as part of this Contract).

4.7.2.2 HCO TRANSACTION LOG FILE

The Contractor shall draw an unbiased, statistically valid random sample from the current month's transactions in the HCO Transaction Log. The Contractor shall compare the information in the log to the corresponding information in the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract) to determine whether the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract) information accurately reflects the log information.

A. Accuracy:

The Contractor shall:

1. Determine, based on all applicable Contract sections and all applicable policy directives from the CDHS, how each transaction in the sample should appear in the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract).
2. Account for the final disposition of all denied transactions.
3. Compare the results of this analysis to the corresponding information in the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract) to determine if Contract requirements were met and to determine if the QA pass-fail thresholds found in the QA Plan that were met.
4. Calculate population-level accuracy rate using standard inferential statistical techniques.
5. Report in the MQAPR, except for the PHI and/or confidential data which shall be available upon request by the CDHS, all discrepancies. The Contractor shall record the CIN, aid code, plan membership status, exemption status, and the nature of the discrepancy discovered, the final disposition of all denied transactions within the sample.
6. Generate one (1) PS for each transaction not meeting applicable Contract standards as specified in Exhibit A, Attachment II, Section 5, Problem Correction Process.

4.7.3 CUSTOMER SERVICE

The Contractor shall submit a separate PS for each of the three (3) areas of Customer Service listed below which details the errors found that month in each area.

4.7.3.1 TELEPHONE ASSISTANCE

The Contractor shall draw an unbiased, statistically valid random sample from all telephone calls made to and received from Medi-Cal applicants, beneficiaries and other interested parties by Telephone Call Center (TCC) staff during the month.

A. Response Time

The Contractor shall:

1. Determine the average response time, in terms of the number of rings, for calls received.
2. Determine the average number of calls in queue per TCC staff.
3. Determine the average length of time each call remains in 'hold' status.
4. Determine the average length of time each call remains 'in queue'.
5. Determine the average number of calls referred to voice mail.
6. Determine the average length of time taken to return all voice mail calls received.
7. Determine the average number of calls abandoned.
8. Determine the average number of calls blocked.
9. Determine the average call closure rate for issues received during initial incoming telephone calls.
10. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
11. Calculate monthly population-level accuracy rate using standard inferential statistical techniques.
12. Report in the MQAPR all determinations made.
13. Generate one (1) PS for each TCC response time standard that did not meet Contract requirements as specified in Exhibit A, Attachment II, Section 1.4, Telephone Call Center.

B. Contacts Made

The Contractor shall:

1. Identify the average number of beneficiaries that were called due to not returning Choice Forms within the required time as stated in Exhibit A, Attachment II, Section 1.4, Telephone Call Center.

2. Identify the average number of beneficiaries who complete a Choice Form based on the phone calls placed by the TCC staff.
3. Identify the average number of telephone calls placed to each beneficiary that was called due to not returning a Choice Form within the required time as stated in Exhibit A, Attachment II, Section 1.4, Telephone Call Center.
4. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
5. Calculate monthly population-level accuracy rate using standard inferential statistical techniques.
6. Report in the MQAPR all information gathered.
7. Generate one (1) PS for each TCC contact standard that did not meet Contract requirements as specified in Exhibit A, Attachment II, Section 1.4, Telephone Call Center.

B. Accuracy

The Contractor shall:

1. Determine the accuracy of all information provided by the TCC during incoming and outgoing calls.
2. Identify all instances in which inaccurate information was provided to applicants, beneficiaries and other interested parties.
3. Determine the types of inaccurate information, by category, and the number of instances in which inaccurate information was provided to applicants, beneficiaries and other interested parties.
4. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
5. Calculate population-level accuracy rate using standard inferential statistical techniques.
6. Generate one (1) PS for each TCC accuracy standard that did not meet Contract requirements as specified in Exhibit A, Attachment II, Section 1.4, Telephone Call Center.

4.7.3.2 ENROLLMENT SERVICE REPRESENTATIVES PRESENTATIONS

On a monthly basis, the Contractor shall audit the presentations made by Enrollment Service Representatives (ESRs) in such a way as to assure that the audited presentations comprise an unbiased, statistically valid random sample from the population of all presentations given during the month. That sample must meet the specifications and standards found above in Section 4.6.2, Quality Assurance Review, and must also be drawn so as to ensure that no ESR Presentation Site goes

without a QA audit for more than ninety (90) calendar days. The Contractor shall include in the MQAPR a table listing the dates on which audits were last performed for each ESR and each ESR Presentation Site. The Contractor shall be deemed to be out of compliance for sites that have gone unmonitored for more than ninety (90) calendar days. All such sites shall be clearly identified in the MQAPR table.

A. Accuracy

The Contractor shall:

- a. Determine the number of instances in which inaccurate information was relayed by an ESR during sampled presentations.
- b. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
- c. Calculate the inferred monthly population-level inaccuracy rate.
- d. Generate one (1) PS for each ESR accuracy standard that did not meet Contract requirements as specified in Exhibit A, Attachment II, Section 1.5.7.2 Enrollment Services Representative Observation/Evaluation Tool.

4.7.3.3 RESEARCH

The Contractor shall draw an unbiased, statistically valid random sample from the population of all requests for assistance received by Contractor research staff each month.

A. Timeliness

The Contractor shall:

1. Determine the dates when each request for assistance was received by Research.
2. Determine the dates when responses to each request were transmitted to the requestor.
3. Calculate the number of business days that elapsed between these two dates listed above.
4. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
5. Calculate monthly population-level accuracy rate using standard inferential statistical techniques.
6. Determine the number of times that the response from Research exceeded the applicable requirements specified in Exhibit A, Attachment II, Section 1.6, Research. Each instance in which a required time limit was exceeded shall be described in detail.

7. Report in the MQAPR the above information.
8. Generate one (1) PS for each response that was not transmitted to the requestor within the time limits specified in Exhibit A, Attachment II, Section 1.6, Research.

B. Accuracy

The Contractor shall:

1. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
2. Calculate the monthly inferred population-level accuracy rate.
3. Determine all inaccurate disposition of requests by error.
4. Provide a description of the nature of each reported inaccuracy.
5. Report in the MQAPR the above information.
6. Generate one (1) PS for all responses not meeting Contract standards per all applicable Contract sections.

4.7.4 HCO INFORMING MATERIALS MAILED

The Contractor shall draw an unbiased, statistically valid random sample from all informing materials mailed during the month.

A. Timeliness

The Contractor shall:

1. Determine the date on which each applicant/beneficiary record in the sample was received for processing in a daily new eligibles or reconciliation record. In the case of mailings generated by an applicant/beneficiary packet request, the date the request was received shall be reported.
2. Determine the dates the informing materials generated by those data records or packet requests were received by the United States Postal Service (or other CDHS-approved mailing subcontractor).
3. Calculate the number of business days that elapsed between these two dates.
4. Determine the number of cases in which the number of reported elapsed days exceeded the applicable mailing cycle time standards established in Exhibit A, Attachment II, Section 2, Informing Materials and Section 3, Enrollment/Disenrollment Processing.

5. Identify the type of mailing that occurred (or was supposed to have occurred).
6. Identify the actual number of days it took to generate that mailing.
7. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
8. Calculate the monthly population-level accuracy rate using standard inferential statistical techniques.
9. Report in the MQAPR the above information.
10. Generate one (1) PS for each instance of mailing timeliness non-compliance discovered in the sample.

B. Accuracy

The Contractor shall determine whether the informing materials were assembled accurately according to the correct informing material types, and that the packet contents accurately reflect the corresponding control binder documents.

The Contractor shall:

1. Calculate the accuracy of the contents of each informing material booklet and informing material packet as compared to the applicable approved Control Binder.
2. Determine the number of beneficiaries who were sent the wrong type of informing packet.
3. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
4. Calculate a monthly population-level incorrect packet mailing rate.
5. Report in the MQAPR each error and fully describe the nature of the error.
6. The number of errors discovered in the sample shall be reported, and a population-level error rate inferred and reported.
7. Submit one (1) PS for each packet error, as specified in Exhibit A, Attachment II, Section 2, Informing Materials discovered in the sample.

4.7.5 ALL OTHER OPERATIONAL AREAS NOT REQUIRED TO BE MONITORED AND REPORTED EACH MONTH

The Contractor shall:

- A. Draw an unbiased, statistically valid random sample from the population of all operational areas for which monthly QA monitoring is not required under the terms of this Contract section. The method used to draw this sample shall be consistent with specifications contained in the CDHS-approved QA Plan.
- B. Perform a QA audit on each operational area in the sample in keeping with the QA audit plans contained in the CDHS-approved QA Plan.
- C. The results of each audit performed under the terms of this section shall be reported in the MQAPR using the reporting specifications contained in the CDHS-approved QA Plan. That plan shall provide for clear identification of the applicable pass-fail threshold of the score obtained and the resulting outcome (pass or fail).
- D. All required PSs shall be generated and submitted to the CDHS.
- E. All QA audits, whether performed on an area subject to required monthly audits, or on an area included in the random sample described in this subsection, shall be precedent-to-payment. Any audit that reveals a failure to meet or exceed the applicable CDHS approved pass-fail threshold shall automatically place into operation the precedent-to-payment process described in Exhibit B, Attachment I, Special Payment Provisions of this Contract.

4.8 SPECIAL QUALITY ASSURANCE STUDIES

The Contractor shall perform special QA studies whenever directed to do so by the CDHS. These studies shall not exceed twelve (12) per Contract year. The Contractor shall develop the study design and methods and submit them for CDHS approval within seven (7) business days of receipt of the study request from the CDHS. The Contractor shall complete the study as directed and forward the findings to the CDHS within forty-five (45) calendar days of request.

4.9 QUALITY ASSURANCE AVAILABILITY TO CALIFORNIA DEPARTMENT OF HEALTH SERVICES

The Contractor shall:

- A. Provide the CDHS with the means to measure overall staff and system performance for various operational processes. In most cases, this requirement can be fulfilled by providing the CDHS with the Contractor's QA protocols and tools. Where no QA protocols and tools exist, the Contractor shall assist the CDHS in developing the needed measures.
- B. Upon request, provide the CDHS with access to the working papers used in the production of QA reports.

4.10 CHANGE SUPPORT PROGRAM

The Contractor shall develop and maintain a change support ~~process~~ program that shall provide ~~any~~ CDHS-designated staff ~~person~~ access to information regarding ~~any~~ all ~~Enrollment/Disenrollment Processing or the HPE Process (if an automated~~

~~system is proposed and accepted as part of this Contract)~~ HCO Program activities, processes and information in order for the CDHS staff to make informed program decisions and review the impact of previous program policy or process modifications.

Information accessible through the change support ~~process~~ program shall include, but not be limited to, beneficiary enrollment encounter and enrollment information as required by the CDHS.

A change support ~~process~~ program meeting shall be held at least once a month, more often if the CDHS deems necessary, to discuss with CDHS staff all changes that may be made to the HCO Operations, including but not limited to policy and procedures, and to the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract).

4.10.1 CHANGE SUPPORT PROGRAM PLAN

The Contractor shall maintain and update with CDHS written approval, the Change Support Program Plan submitted during Takeover. The plan shall include, but is not limited to, the following:

1. A control process designed by the Contractor and approved by CDHS for the term of the Contract, used to m~~Monitor~~ HCO program internal standards, ~~by use of a control process designed by the Contractor and approved by CDHS for the term of the Contract.~~
21. The control process shall include the T~~tracking~~ and monitoring of processes and procedures requiring change or remediation ~~for~~ to facilitate Contractor compliance with Contract requirements, and conversely, to include any process or procedure deemed by CDHS to impact its ability to adequately monitor the Contractor's compliance with Contract requirements.
32. The control process shall be designed with C~~clearly~~ defined procedures and reportable outcomes including a mechanism to ensure that any process or procedure change or remediation to be tracked, monitored and designated for implementation or closure within the control system, whether initiated by the Contractor or by CDHS, is approved by CDHS prior to the Contractor's implementation or closure.
43. Representatives Inclusion of CDHS staff ~~shall be included~~ in the design and implementation phases of the control process.
54. After implementation, inclusion of CDHS staff ~~shall to~~ continue as designees ~~to represent CDHS~~ for all matters related to the overall processes and procedures of the control process.
65. Any CDHS – written approval for all changes or modifications s to the control system subsequent to its initial implementation ~~shall be approved by CDHS prior to implementation.~~

4.11 HCO OPERATIONS POLICY AND PROCEDURES MANUALS

The CDHS shall have instant access to the HCO Operations Policy and Procedures Manuals. The Contractor shall also provide the CDHS with one hardcopy of the most recently CDHS-approved version, providing updates as required below.

During the Contract term, each policy and procedures manual shall be developed and updated, as needed, per changes made to policies and procedures used. Each new and revised manual shall result in a deliverable requiring written CDHS approval.

A. The manuals shall include, but not be limited to, a description of the:

1. Contractor's procedures for the entire HCO Operation.
2. Contractor's procedures for the entire operation of the HCO Process. If an automated process is proposed, this language does not supersede the language as required in Exhibit A, Attachment I, Takeover and Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing. The Contractor shall apply requirements specified in Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing and Section 10, Health Plan Enrollment Process (if an automated system is proposed and accepted as part of this Contract).
3. Existing procedures for the Contractor's Operation of the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract) and manual processes.

B. Upon written CDHS approval of the Contractor's HCO Operations Policy and Procedures Manuals, the Contractor shall:

1. Utilize the manual to make any needed modification to existing operating procedures and document its manual procedures in new or updated procedure manuals. Each new and updated manual shall reflect any new or changed requirements for HCO Operation included in this Contract.
2. Include appropriate summary pages indicating the changes made to the existing manual.
3. Ensure that Contractor staff follow these operations and procedures when operating all Contractor responsibilities.

C. Any changes to existing procedures shall be transparent to system users and be approved, in writing, by the CDHS prior to implementation. Within ten (10) business days, deliver to the CDHS for written approval such new and revised procedures and manuals. If the CDHS has not provided written approval within ten (10) business days of receipt of the approval request, the Contractor may implement the change without written CDHS approval.

- D. The procedures and manuals shall be cross referenced to this Contract and other applicable CDHS directives.

- F. Provide to the CDHS, or to a contractor retained by the CDHS, access to the Enrollment/Disenrollment Processing or the HPE Process (if an automated system is proposed and accepted as part of this Contract) for monitoring, reviewing, and testing of the Contractor's HCO Operations. The Contractor shall document and maintain the various methods, processes and procedures for this access.

4.12 MEDI-CAL PUBLICATIONS QUALITY ASSURANCE

The Contractor shall establish a comprehensive quality assurance system to ensure that all Contract requirements are met, production and development problems are identified and corrected in a timely manner; and that the CDHS needs are met. All vendors and subcontractors of the Contractor that perform this work shall comply with the QMP requirements.

6.0 REPORTS

6.1 OVERVIEW

This section is intended to facilitate the identification of reporting responsibilities as well as to ensure consistent application of requirements for all HCO reports. Reports are defined as any compilation or reflection of data provided in any media. Given the desire for continuing innovation in the area of reporting, California Department of Health Services (CDHS) will, for the life of the Contract, allow the Contractor to recommend technology-based data solutions as an alternative to existing paper-based reporting functions. Recommendations shall not be implemented without CDHS written approval.

All reports produced by the Contractor, whether for internal or external use, shall conform to the requirements described in this section unless otherwise specified in the Contract or in writing by the CDHS.

6.2 OBJECTIVES

The reports requirements in this section shall:

- A. Ensure the Contractor provides accurate and timely report deliverables to the CDHS and all interested parties;
- B. Ensure the accurate identification of reporting responsibilities;
- C. Ensure all regulations, laws and CDHS policies are adhered to; and
- D. Ensure consistent application of requirements for all HCO reports.

6.3 ASSUMPTIONS AND CONSTRAINTS

- A. 'Internal' reports are defined as reports shared with the CDHS only, which are designed, developed and installed by the Contractor for its use in managing the Contract with the CDHS. 'External' reports are defined as reports shared with the CDHS and other interested parties at the CDHS sole discretion that are fully implemented by the Contractor for its use in managing the Contract with the CDHS.
- B. The CDHS retains the right, at any time during this Contract, to expand, reduce, and/or delete any report and/or the data elements in any report, as well as the reporting schedule of any report to be produced under this Contract. The CDHS also retains the right to instruct the Contractor at any time to produce reports not otherwise presented in this Contract. The CDHS also retains the right to instruct the Contractor at any time to produce reports not otherwise presented in this Contract.

6.4 GENERAL RESPONSIBILITIES

The Contractor shall:

- A. Develop and implement a process for tracking and reporting at a summary level its achievement in meeting all requirements as stated in this section and in this Contract.
- B. Develop, generate, produce, maintain and deliver all report deliverables in accordance with any and all requirements appearing in this Contract.
- C. Ensure that at least one (1) staff person, who is dedicated solely to reporting functions, is available from 8:00 AM to 5:00 PM Pacific Time, Monday through Friday, excluding State holidays, to perform general reporting staff liaison activities and to assist the CDHS with any reporting questions or issues that may arise. The primary responsibilities shall be to assist the CDHS by performing the following reporting functions:
 - 1. Data processing;
 - 2. Database development/maintenance;
 - 3. Statistical and research reporting;
 - 4. Report production and delivery;
 - 5. Research/report problem solving activities;
 - 6. Report accuracy and data validity; and
 - 7. Development of techniques to obtain more effective and efficient use of HCO and MEDS data, as directed by CDHS.
- D. Organize and maintain a Master Library which contains all reports produced throughout the life of the Contract, including the Contractor's internal reports. Reports that contain Protected Health Information (PHI) and/or Sensitive or Confidential Information shall be secured, and access shall be limited to Contractor staff, with full access provided to the CDHS. Reports shall be placed in the Master Library at the same time as they are delivered to the CDHS, per their specific Contract requirements for delivery to the CDHS. The data housed in this library shall be instantly accessible at all times to CDHS staff.
- E. Create, maintain and provide to the CDHS a Report User Manual(s) (RUM) which covers all HCO report deliverables, except for ad-hoc reports and special/research/statistical report design documents. This manual shall be delivered to the CDHS in accordance with the requirements contained in Exhibit A, Attachment I, Takeover. The medium in which the RUM is produced and stored shall be determined by the CDHS. The documentation in the manual(s) shall consist of the following items:

1. A composite listing of all reports produced, displaying the report number, report name, operational areas to which the report applies, reporting frequency, report distribution, report retention period.
2. Each report generated shall contain the following components:
 - a. The standard report heading.
 - b. The report definition/description, which includes a brief statement of purpose, a detailed description and definition of report elements, the report number, the report name, the operational areas to which the report applies, reconciling routines, control and audit functions, report frequency and report distribution.
 - c. User procedures and interfaces. The Contractor shall be allowed to provide links/references to the applicable procedures and interfaces.
 - d. An example of the produced report, which displays all information, summary total data, and all representative formats within each report. Reports that contain PHI/confidential data shall have that data redacted.
 - e. Identify when the report is a functional equivalent to a required report. This listing shall identify all reports for which the CDHS has waived production requirements, and provide an audit trail with reference (C-Letter and date) to the CDHS approval of each functional equivalent and waiver.
 - f. Include any cross-reference to other corresponding reports that support summary totals or data.
- F. Provide ad hoc reporting capability. Ad hoc reports can either be prepared by CDHS staff using standard user interfaces to the HPE Process (or other automated systems), or can be prepared by the Contractor for submission to the CDHS. Reports that require the acquisition of new data, non-standard analytical techniques, custom presentational formats and/or narrative discussion shall not be considered "ad hoc reports" and shall not be subject to the provisions of this section (some such reports may be considered to be "research" or "statistical" studies, as determined by the CDHS). An unlimited number of ad hoc reports can be run or requested by the CDHS at no cost to the CDHS. The CDHS may require ad hoc reports developed by the Contractor to be re-run and/or updated using different input data, different record-selection logic, different time periods, etc. The Contractor shall save report parameters to facilitate reruns.
- G. Distribute reports in contractually required time frames to interested parties based upon the CDHS-approved Reports Distribution List. This list shall be developed jointly by the CDHS and the Contractor during Takeover, and shall be approved by the CDHS.

- H. Maintain the CDHS-approved Reports Distribution List. The list shall be verified monthly, and updated as needed, but no less than monthly. This list shall include:
1. All contact group and/or entity names, distribution addresses (both email and physical), and telephone numbers, that receive HCO reports;
 2. The reports, identified by report number and name, to be distributed to the persons and groups on the list;
 3. Delivery date requirements;
 4. The number of copies produced and their destinations;
 5. The medium and/or media in which the report(s) is/are produced; and
 6. Other information deemed necessary.

The Reports Distribution List shall be provided monthly to the CDHS in two (2) formats: by user (the person who receives the report) and by report name.

This list may be modified by the CDHS at any time throughout this Contract. The Contractor shall provide to the CDHS for review and approval updates of this list within ten (10) business days of receipt of a change request initiated by the CDHS.

- I. Provide the CDHS, in the format as instructed, with access to or delivery of all Contractor-produced reports, whether for internal or external use, within two (2) business days of request by the CDHS. Paper copies of reports older than twelve (12) months or larger than fifty (50) pages, shall be provided within five (5) business days.
- J. Participate in and/or perform statistical and/or research studies as the CDHS may direct or approve. The Contractor shall prepare no more than the equivalent of ten (10) ten-page studies per Contract phase at no additional cost to the CDHS, provided these reports can be prepared with data and/or information available to the Contractor at the time of the request. Studies may include, but are not limited to, quantitative or qualitative analyses of managed care enrollment and/or eligibility data, and reports on any Contractor operational area (Field Operations, Telephone Call Center, Quality Assurance, etc.). Studies meeting the above criteria are to be completed and submitted to the CDHS no more than thirty (30) calendar days from the date of the CDHS request.
- K. Notify at least one (1) CDHS HCO Section manager by e-mail within one (1) business day, to be followed up with a formal written notification within five (5) business days, upon detection of any discrepancy of report information (e.g., invalid statistical data, dates, dollar amounts) or other problems affecting the accuracy, reliability, production, availability, and/or distribution of HCO reports. Discrepancy(ies) located within report(s) shall be corrected and provided to all parties on the distribution list within five (5) business days of detection. The Contractor shall also submit a Problem Statement (PS) within one (1) business

day of the notification of the report discrepancy and/or problem. If the Contractor determines that the CDHS input or direction is required to resolve the problem(s), the Contractor shall also provide an explanation describing the desired input, along with any applicable timetables and projected corrections, as set forth in Exhibit A, Attachment II, Section 5, Problem Correction Process.

- L. Upon CDHS approval, modify report delivery locations, number of report copies generated, reporting medium and/or delivery frequency by report recipient at no additional cost to the CDHS. If business requirements dictate that a report medium from hardcopy to electronic media (e.g., diskette, CD, or Internet, etc.) it will be done at no additional cost to the CDHS. Changes shall be made upon request according to the following schedule as per individual report specification: (Due dates do not include CDHS review and approval time periods.)

REPORT DATES	PRODUCTION	DATE CHANGE REQUIRED
Monthly, bimonthly, quarterly, semi-annually, annually (e.g., Monthly Progress)		Next report production cycle if report is due in less than fifteen (15) calendar days of request; Current report production cycle if report is due in more than fifteen (15) calendar days of request.
Daily, weekly, special/ research/ statistical reports, ad-hoc (e.g., Daily Status, Weekly Narrative)		Within thirty (30) calendar days of the request

- M. Provide suggestions to the CDHS that could enhance reports and/or reporting activities. Suggested changes may include elimination or creation of reports, modifications to report format, information, production frequency, reporting medium, or information descriptions.
- N. Starting no later than the end of the calendar year within which this Contract becomes effective, and by the end of each calendar year thereafter, the Contractor shall produce an annual report, for CDHS review and approval, that lists recommended improvements to HCO reporting. This report shall be due January 15th of each year. This list shall state those reports that may need to be deleted, expanded or revised, and the reasons for such recommendations.
- O. The Contractor shall provide all reports produced from changes requested to existing report criteria within two (2) business days of the CDHS request of the change. The Contractor shall verify the accuracy of the data in these reports within that same time period.

6.5 REPORT DELIVERABLES

The term, "Report deliverables," as used in this Contract, refers to all reports designated as required in this section. All reports shall be prepared in a medium and standardized format mutually agreed upon by the CDHS and the Contractor, with written approval by the CDHS.

Reports shall contain quantitative and/or qualitative analyses that accurately characterize levels of performance with respect to Contract requirements, narratives to describe pertinent information not included in quantitative presentations, and explanations of variations in the quantitative information presented. In addition to the report deliverables already defined in this Contract, the CDHS may require the Contractor to prepare additional report deliverables. Additional required reporting may cover, but not be limited to, all contractually required HCO Operations.

6.5.1 CUSTOMER SERVICE REPORTS

6.5.1.1 INTERACTIVE INTEGRATED VOICE RESPONSE SYSTEM (IVR) REPORT

The Contractor shall submit reports on a weekly, and then compiled into a monthly, basis to include, but not be limited to:

- A. IVR availability;
- B. Usage;
- C. Total number of calls received;
- D. Total number of requests for forms;
- E. Total number of materials faxed;
- F. Total elapsed time between receipt of request for faxed materials and the actual faxing of materials; and
- G. Information requested, by type.

6.5.1.2 BENEFICIARY INTERACTION TRACKING (BIT) REPORT

The Contractor shall submit reports on a weekly, and then compiled into a monthly, basis to include, but not be limited to:

- A. BIT availability;
- B. Usage; ~~and~~
- C. Total number of returned calls placed;
- D. Total number of returned calls not placed due to locked identification tools;
- E. Total number of encounters captured, by type, by county, by language.

6.5.1.3 INTEGRATED PREDICTIVE DIALER SYSTEM (PDS) REPORT

The Contractor shall submit reports on a weekly, and then compiled into a monthly, basis to include, but not be limited to:

- A. PDS availability;
- B. Usage;
- C. Total number of calls placed using the system;
- D. Total number of messages left;
- E. Total number of calls placed that were successful in reaching the original caller;
- F. Total number of detected disconnected telephone numbers;
- G. Total number of calls automatically transferred to a live operator; and
- H. Information requested, by type.

6.5.1.4 INTEGRATED CALL TRACKING INFORMATION SYSTEM (CTI) REPORT

The Contractor shall submit reports on a weekly, and then compiled into a monthly, basis to include, but not be limited to:

- A. CTI availability;
- B. Usage;
- C. Total recordings, by date and time;
- D. Reason for calls, by type;
- E. Disposition of calls, by type; and
- F. Total number of completed Choice Forms.

6.5.1.5 TELEPHONE CALL CENTER (TCC) REPORT

- A. The Contractor shall submit reports on a daily basis that are then compiled into and reported in the weekly reports and monthly reports. This information shall be cumulative. The daily reports include, but are not limited to:
 - 1. **Unscheduled TCC downtime:** The minutes of telephone downtime shall be reported in the daily, weekly, and monthly reports. Downtime shall be reported in terms of the average number of minutes per calendar week over the reporting period. Additional system downtime reporting requirements are described in the Exhibit A, Attachment II, Section 1.4, Telephone Call Center.
 - 2. The total number of telephone calls received and initiated, by TCC staff and by Research staff, by time of day, by day.
 - 3. Mandatory beneficiaries contact attempts and completions:

- a. The total number of mandatory beneficiaries who are scheduled to be automatically assigned to a health plan(s) (default-assigned) that have been contacted in order to assist them with completing and returning a Choice Form; and
 - b. The total number of mandatory beneficiaries who were provided assistance and have completed a Choice Form over the phone.
 4. 'In queue' and 'hold' time: 'In queue' and 'hold' time shall be reported in summary, and separately and as a combined total in the daily, weekly, and monthly reports. The Contractor shall provide the CDHS with electronic access to the detail. The Contractor shall ensure a process to track 'hold', 'in queue', and 'actual call minutes spent with callers', for each call received and/or placed by the TCC staff. Separate and combined 'in queue' and 'hold' time shall be reported in terms of the average number of minutes per call, averaged over all calls received during the reporting period.
 5. Voice mail referral rate: The voice mail referral rate shall be reported daily, and shall contain separate rates for calls received during business hours and calls received during non-business hours. Referral rates shall be reported in terms of the percentage of calls received during normal business hours that are referred to voice mail during the reporting period.
 6. Voice mail message return rate: A report that provides the number and percentage rate of voice mail messages that are returned within one (1) business day.
 7. Abandonment rate: A report that details the rate as the percentage of calls received during normal business hours that are abandoned during the reporting period. This rate is less the successful returned calls placed to the original caller that abandoned the initial call. The Contractor shall retain all supporting documentation of such telephone calls.
 8. Blocked call rate: A report that details the percentage of calls received during business hours that are blocked during the reporting period.
- B. The Contractor shall submit reports on a monthly basis to include the reports provided daily and weekly, but shall also include, but not be limited to:
1. A compilation of Call Center activities as reported in the daily reports.
 2. Statistics gathered from all information obtained from the BIT, DPS and Call Tracking Information System and its related functions.
 3. Documentation of system downtime and/or unusual incidents.
 4. Call Referral Rate: A report that details the total number of calls received pertaining to enrollment issues/problems and the total number of these calls that the TCC must refer to an outside entity for resolution, with the corresponding percentage rate. Along with the current month's rates, the corresponding rates for each of the preceding 12 (twelve) months shall also

be reported. When significant increases or decreases in the percentage rate occur, the CDHS may, at its discretion, require the Contractor to identify and report on the causes of those fluctuations. The overall referral rate, along with the rates falling into the following categories, shall be reported:

- a. Referrals to the Contractor's research operations;
 - b. Referrals to County Department of Public Social Services (DPSS) offices;
 - c. Referrals to medical and dental plans, reported by plan, by county;
 - d. Referrals to the California Department of Social Services;
 - e. Referrals to the MMCD Office of the Ombudsman, Dental Managed Care and California Department of Managed Health Care; and
 - f. Referrals to all other entities.
5. **Issues Addressed:** A report that categorizes incoming TCC calls by the issue(s) addressed in each call. The issue categories used in this report are to be periodically reviewed and revised, as needed, and approved by the CDHS. The report shall provide the number of incoming calls that fall into each approved issue category. "Other" shall always be a category. The report shall include a narrative briefly summarizing the issues that fall into the "other" category in the current report. Calls that address more than one issue shall be categorized by all issues discussed and a method devised to identify those calls and their particular issues.
6. **Call Duration:** A report that details each TCC staff's average call duration compared to an overall TCC staff call duration range. The overall TCC staff call duration range shall consist of the upper and lower duration bounds within which ninety-five percent (95%) of all TCC calls fall. In addition to an overall call duration rate, rates shall also be reported by incoming and outgoing calls, by threshold language, by county, by plan and plan type, and any other categories the Contractor may wish to propose. All categories used must be approved by the CDHS. The Contractor shall provide the CDHS instant access to view this report information.
7. **Calls Placed:**
- A. A report that details the number of telephone calls placed by and to TCC staff. Calls placed data shall be reported by language and by county; and
 - B. Report the number of calls placed to beneficiaries who do not return a completed Choice Form, the total number of calls placed to each beneficiary called for such purpose, and the total number of Choice Forms completed and received at the Contractor's main operating facility as a result of these calls.

8. Ad hoc report(s) that contain any other data pertaining to the TCC which the CDHS requests on an ad hoc basis and which the Contractor can reasonably be expected to produce.

6.5.1.6 EDUCATION AND OUTREACH REPORT

- A. The Contractor shall submit reports on a weekly basis to include, but not be limited to highlights of enrollment services activities including outreach and education events and issues relating to outreach activities.
- B. The Contractor shall submit reports on a monthly basis to include, but not be limited to:
 1. Presentation Attendance: A report that provides aggregate attendance summary data for presentation and customer service sessions, total customer contacts reported by county, by site, and by individual Enrollment Service Representatives (ESRs) with totals broken out by presentations, customer services, and total contacts, and invoiced ESR hours by county, site and ESR. For each attendee, the following information shall be provided:
 - a. The attendee's address and telephone number;
 - b. The attendee's eligibility and enrollment status, as of the time of the reported ESR contact;
 - c. The attendee's primary spoken language;
 - d. The type of service provided (presentation versus customer service);
 - e. Date, time and location of the contact;
 - f. Name and employee number of the ESR who presented and/or provided the customer service;
 - g. Name and employee identification number of the responsible ESR supervisor (this should be the supervisor who is able to certify that the reported customer contact did occur and is accurately described);
 - h. If the attendee submitted a Choice, exemption or waiver form at the end of the presentation and/or customer service session;
 - i. The final status of the Choice, exemption or waiver form (e.g., correctly completed and submitted, not submitted for lack of a signature); and
 - j. Any other pertinent information.
 2. ESR Presentation Monitoring results: A report that provides a summary of the results of all ESR monitoring. Results shall be reported both individually and collectively for all ESR. The collective summary report shall be broken out by site and county and also totaled for the entire project; and

3. Presentation Site Productivity. The Contractor shall provide the CDHS with a comprehensive monthly report on the productivity of each presentation site. The productivity metrics shall be:
 - a. Average minutes of site operation per presentation given. The Contractor may propose a method for adjusting this measure to account for time spent providing customer service that does not constitute a full presentation. Upon the CDHS approval that adjustment may be utilized; and
 - b. The ratio of presentations given to site FTEs. This measure shall be expressed in terms of the number of presentations per FTE. As with the minutes of operation per presentation measure described above, the Contractor may propose an adjustment to account for customer service time that does not constitute a full presentation. Upon the CDHS written approval that adjustment may be utilized.
- C. The Contractor shall submit reports on a quarterly basis to include, but not be limited to, ESR Attendee Feedback Evaluation Tool Results. The ESR Attendee Feedback Evaluation Tool Results report provides a summary and evaluation of the evaluation forms completed and returned by persons who attended an ESR presentation and/or obtained assistance from an ESR. This report shall be rolled up into the monthly report at the end of each quarter.

6.5.1.7 RESEARCH REPORT

The Contractor shall submit reports on a weekly basis. The weekly reports shall be compiled and submitted to the CDHS via the monthly report, to include, but not be limited to:

- A. Research Assistance: A report that provides a list of all issue(s) dealt with by the Research Unit, by category, to include a summary of the total and trends of the issue(s). Total referrals to research shall be reported, along with total referrals by source (TCC, CDHS, health plans, etc.). The format shall be agreed upon by the CDHS. The report shall include the total number of telephone calls placed to applicants/beneficiaries who submitted incomplete and/or inaccurate forms and the total number of forms that were completed based on these telephone calls;
- B. Issues Referred by the CDHS: A report that lists the issue(s) referred by the CDHS for research assistance. The report shall list each issue, the date received by the Contractor, the date procedures were initiated, and the date written responses were provided back to the CDHS, and shall highlight all issues not resolved in the timeframe specified by the Contract;
- C. Incident Report Log: A log that contains all incident reports created for complaints and grievances received by the Contractor. The log shall be itemized into two (2) categories:
 1. Issues Resolved by the Contractor: A list of the issues handled by the Contractor without outside assistance. The report shall list each issue, a

complainant identifier, the date received by the Contractor, the date procedures were initiated, the date resolved and the date written confirmation was provided to the complainant, and shall highlight those issues not resolved in the timeframe specified by the Contract; and

2. **Issues Referred for Outside Assistance:** A list of the issues referred for assistance to an outside entity. The report shall list each issue, a complainant identifier, the date received by the Contractor, the date referred and report forwarded to the outside entity, or the date referred back to the complainant with a resolution resource recommendation.

6.5.1.8 HCO PORTAL REPORTS

The Contractor shall submit reports on a weekly basis. The weekly reports shall be compiled and submitted to the CDHS via the monthly report, to include, but not be limited to:

A. HCO Portal availability

B. Usage

1. Total number of assistance requests; and
2. Number of assistance requests sought, by type, by language.

6.5.1.9 PROVIDER INFORMATION NETWORK (PIN) REPORT

The Contractor shall submit reports on a weekly basis. The weekly reports shall be compiled and submitted to the CDHS via the monthly report, to include, but not be limited to:

A. Provider Information Network availability

B. Usage

1. Total number of visits; and
2. Number of visits, by type, by language

6.5.2 INFORMING MATERIALS REPORT

The Contractor shall submit the following reports:

A. On a daily basis, daily records sent and received for mail distribution

1. Report by type sent and received, to include, but not be limited to, the following:
 - a. Intent to Assign;

- b. Intent to Default;
 - c. All Health Plan Membership Status letters;
 - d. Packet Requests; and
 - e. Special Mailings.
 - 2. Compute each day's sent and received times between the Contractor and the mail/fulfillment subcontractor. If the Contractor chooses to perform the mail/fulfillment functions themselves, this reporting requirement is waived.
- B. On a daily basis, letters mailed, for both medical and dental managed care health plans
 - 1. Report letters mailed by type, by county, to include, but not be limited to, the following:
 - a. Intent to Assign;
 - b. Intent to Default;
 - c. All Health Plan Membership Status letters;
 - d. Packet Requests;
 - e. Outreach;
 - f. Special Mailings;
 - g. Daily Total; and
 - h. Compute the mailing time; sent and received times between the Contractor data file receipt from CDHS and the mail courier delivery.
 - 2. All significant issues shall be identified and discussed.
- C. On a weekly basis, the following additional reports to include, but not be limited to:
 - 1. A compilation of the daily mail functions as reported in the daily status report
 - 2. All significant issues and/or changes
 - 3. Inventory Production to include, but not be limited to:
 - a. Inventory on hand;
 - b. Inventory usage;

- c. Outstanding inventory on back order; and
 - d. Inventory to be replenished.
- D. On a monthly basis, the following additional reports to include, but not be limited to:
 - 1. Production
 - a. Whether all requirements, including but not limited to, Materials Development and Production, and Mailing Functions contained in Exhibit A, Attachment II, Section 2, Informing Materials, were met;
 - b. A detailed listing of those requirements not met;
 - c. A description of the documents developed and produced during the reporting time period; and
 - d. Reasons the Contractor did not meet contractual requirements.
 - 2. Inventory Control
 - a. Inventory on hand;
 - b. Whether the Contractor met contractual timeliness requirements;
 - c. A detailed listing of those requirements not met;
 - d. Reasons the Contractor did not meet contractual timeliness requirements; and
 - e. Interim reports shall be made available upon request, submitted to the CDHS within one (1) business day of request.
 - 3. Returned Mail
 - a. Achievement of meeting contractual timeliness requirements for returned mail; and
 - b. Reasons for not meeting contractual timeliness requirements.
 - 4. Medi-Cal Publications
 - A. The Contractor shall report:
 - 1. Whether all requirements, including but not limited to, Medi-Cal Publications contained in Exhibit A, Attachment II, Section 2.9, Medi-Cal Publications, were met;
 - 2. A detailed listing of those requirements not met;

3. A description of the documents developed and produced during the reporting time period ;
 4. Reasons the Contractor did not meet contractual requirements;
 5. Documents developed, translated, focus group tested, revised and printed, distributed, by type;
 6. A summary of the orders filled.
- B. The Contractor shall submit a bi-weekly inventory report to the CDHS. The report shall meet the following requirements:
1. Provided in a media and format proposed by the Contractor and approved in writing by the CDHS. At a minimum, the Contractor shall submit a copy of the report to the CDHS via electronic mail;
 2. Submitted no later than the third (3rd) business day following the report week;
 3. Provides the inventory on hand, inventory usage, inventory on back order, orders received, orders fulfilled, and inventory to be replenished;
 4. Provides specific order fulfillment data upon receipt of a request by the CDHS. In exceptional circumstances, the CDHS shall require a specific recipient's order history and other information to ensure appropriate usage of publications. The Contractor shall include order fulfillment reports as an attachment to the bi-weekly inventory report when requested by the CDHS; and
 5. Provides recommendations for modifications to report formats, as well as additional or revised reports, as it identifies other areas of potential interest to the CDHS.

6.5.2.1 FORMS TRACKING PROCESS (FTP) REPORT

The Contractor shall submit the FTP Report on a monthly basis to include, but not limited to:

- A. FTP availability;
- B. Total number of forms tracked; and
- C. Total number of days lapsed between receipt and processing of each form.

6.5.2.2 ENROLLMENT/DISENROLLMENT PROCESSING REPORT

The Contractor shall submit reports on a daily basis to include, but not be limited to:

- A. Forms production activity
 - 1. Total number of Choice Forms received, by type, by county, by plan;
 - 2. Total number of Choice Forms processed, by type, by county, by plan;
 - 3. Total number of informing materials packets returned, by type, by county;
 - 4. Total number of health plan membership status letters mailed, by type;
 - 5. Beginning and ending daily balances of all Choice Forms received and processed;
 - 6. Average completion time for both batch and on-line Choice Forms processed, for all Choice Forms received, by type; and
 - 7. Total number of Choice Forms processed within the contractual cycle time, by day.
- B. Auto assignment summary report for medical and dental beneficiaries assigned to a plan.
- C. Expedited and retroactive disenrollments, and exception to plan enrollment request forms activity. All medical and dental information shall be reported as separate totals.
 - 1. Total number of expedited disenrollment requests received;
 - 2. Total number of expedited disenrollment requests processed;
 - 3. Total number of expedited requests processed as approved;
 - 4. Total number of expedited requests processed as denied;
 - 5. Total number of retroactive disenrollment requests received;
 - 6. Total number of retroactive disenrollment requests processed;
 - 7. Total number of retroactive requests processed as approved;
 - 8. Total number of retroactive requests processed as denied;
 - 9. Total number of medical, non-medical and dental exception to enrollment requests received;
 - 10. Total number of medical, non-medical and dental exception requests processed;
 - 11. Total number of medical, non-medical and dental exception requests processed as approved;

12. Total number of medical, non-medical and dental exception requests processed as denied;
 13. Total number of approved medical, non-medical and dental exception requests processed prior to enrollment;
 14. Total number of approved medical, non-medical and dental exception requests processed which resulted in a disenrollment;
 15. Beginning and ending balances of all disenrollment and exception to plan enrollment forms received and processed;
 16. Compute the average completion time for expedited and retroactive disenrollment and exception to plan enrollment forms processed;
 17. Total number of all disenrollment and exception to plan enrollment forms processed within the contractual cycle time, by day; and
 18. Total number of all disenrollment and exception to plan enrollment forms not processed within the contractual cycle time, by day.
- D. Daily Data Entry transactions sent to MEDS
1. Total number of enrollments and disenrollments; and
 2. Total number of disenrollments for voluntary beneficiaries.
- E. The Contractor shall submit reports on a weekly basis to include, but not be limited to a compilation of the daily enrollment and disenrollment operations as identified in the daily reports.
- F. The Contractor shall submit reports on a monthly basis to include, but not be limited to (for medical and dental where applicable and keeping each separate from the other):
1. A monthly enrollment summary, by county, by plan;
 2. Status of remaining eligibles in mandatory aid codes that are eligible to receive medical and/or dental enrollment mailings;
 3. Disenrollments by reason summary;
 4. Disenrollments by reason, by county, by zip code, by plan, by aid code (mandatory and voluntary), by language;
 5. Beneficiary status counts, by county;
 6. Approved expedited disenrollments by reason, by plan, by aid code (mandatory and voluntary);

7. Medical, non-medical and dental exception to plan enrollment summary, by type;
8. Medical, non-medical and dental exception to plan enrollment requests by reason, by county, by aid code;
9. Approved exception to plan enrollment requests prior to enrollment, by reason, by county, by aid code;
10. Approved exception to plan enrollment requests that result in disenrollments;
11. Defaults, by type, county, zip code and language;
12. Auto assignment summary report;
13. Monthly mandatory eligibles report (due two (2) business days after reconciliation);
14. Exception to plan enrollment expiration report, by county, by month of expiration (to report those exceptions set to expire within ninety (90) calendar days.); and
15. Forms Tracking Process (FTP) availability and usage.

6.5.2.3 TROUBLE REPORTING PROCEDURES AND REPORTS

Describe in detail all Enrollment/Disenrollment Processing operation trouble reporting procedures and report formats. It shall contain the specific requirements and procedures that Contractor staff are to follow when completing a Trouble Report to document the application of emergency fixes and reporting those fixes to the CDHS (via the Problem Correction Process). Enrollment/Disenrollment Processing operation Trouble Reports, which shall be submitted to the CDHS weekly, shall contain relevant information, incident date and time, the nature of the problem, the solution implemented, the manager involved, and any override indicator.

6.5.2.4 BALANCING PROCEDURES AND REPORTS

Describe the procedures to be used to balance, verify, and reconcile all Enrollment/Disenrollment Processing operation reports and jobs, where applicable. It shall also describe all weekly reports that present the results of balancing, verification, and reconciliation procedures.

6.5.3 QUALITY ASSURANCE REPORT

The Contractor shall present all QA performance audit results to the CDHS in the Monthly Quality Assurance Performance Report (MQAPR). In addition to reporting QA audit results in keeping with the reporting specifications contained in the QA Plan, the MQAPR shall describe error rate trends for all areas audited, and propose process improvement to reduce problematic error rates. In analyzing error rate

trends, the MQAPR consider not only error rates from formal QA audits, but also PSs generated outside of the QA audit process. The Contractor shall submit the MQAPR to the CDHS no later than the tenth (10th) business day of each month following the reporting month.

The Contractor shall ensure:

- A. The MQAPR is accurate and thorough, and is prepared in keeping with the specifications and standards found in Exhibit A, Attachment II, Section 4.6.2, Quality Assurance Review, and in the Contractor's QASPM.
- B. Each monthly report not only identifies each operational area reviewed during the reporting month and the results of the audits performed on those areas, but also lists the operational areas not reviewed during the reporting month. For each area that was not reviewed, the date on which it was last reviewed shall be reported.
- C. The report contains at a minimum:
 - 1. Graphs showing the error rate for each operational area from the beginning of the HCO Operations through most current month in which an audit was performed (up to and including the current reporting month);
 - 2. A discussion of the specific operational areas with the highest and/or most persistent error rates. This discussion shall identify, to the extent possible the root causes of the problematic error rates identified;
 - 3. A discussion of all adverse impacts of the problematic error rates identified in the previous item; and
 - 4. Recommended process and/or policy changes that are likely to reduce the reported high or persistent error rates, and specific proposals for implementing those recommendations.

6.5.4 PROBLEM CORRECTION PROCESS REPORT

The Contractor shall submit reports on a monthly basis to include, but not be limited to, a monthly Problem Statement (PS) Status Report.

- 1. The report shall identify all open PSs sorted by:
 - a. PS Number;
 - b. Project Manager and, secondarily, by the affected subsystem; and
 - c. Priority.
- 2. The report shall include:
 - a. PS Monthly Summary;

- b. Open PS Aged Summary;
 - c. Contractor's PS Aged Summary;
 - d. CDHS PS Aged Summary;
 - e. Interim Response (IR) Overdue (exceeded processing timeframes) Detail;
 - f. Corrective Action Plan (CAP) Overdue (exceeded processing timeframes) Detail; and
 - g. Closure Notice (CN) Overdue (exceeded processing timeframes) Detail.
3. The report shall provide the following information for each PS that has exceeded processing timeframes:
- a. A statement of why the PS has exceeded processing timeframes;
 - b. An estimate of the number of hours still required to resolve the PS; and
 - c. The estimated date by which each PS will be resolved.

6.5.5 RECORDS RETRIEVAL REPORT

The Contractor shall submit reports on a monthly basis to include, but not be limited to a Records Retrieval Performance Report (RRPR).

- A. The report shall include, at a minimum, the following information for total unduplicated requests for each type of record requested:
- 1. Date of request;
 - 2. Total number of copies requested;
 - 3. Date request fulfilled;
 - 4. Total number of copies delivered;
 - 5. Total number of copies delivered late;
 - 6. Total number of requests partially fulfilled;
 - 7. Total number of requests not fulfilled, but still in process (including requests carried forward from previous reporting months); and
 - 8. Total number records determined to be either undeliverable, irretrievable, or both in the current reporting period.
- B. For records the Contractor delivered late, and for requests that were either partially fulfilled or unfulfilled, the RRPR shall specify:

1. The document type/category (Choice Form, plan correspondence, C-Letter, etc.);
 2. The document identification number(s) (Document Control Number, C-Letter number, report number, etc.);
 3. For records that were delivered late, the number of days each was late;
 4. For undelivered records (including those carried over from previous reporting months), the number of days late for each record, and the expected delivery date;
 5. The number of documents determined to be undeliverable and/or irretrievable during the current reporting period; and
 6. The reasons behind each delayed, undelivered, undeliverable and irretrievable record.
- C. The RRPR shall summarize, by requestor, the number of HCO Program records requested during the reporting month. This summary shall contain subtotals by document type, and overall totals for each requestor.
- D. All records reported as 'not delivered' or declared as undeliverable or irretrievable shall be carried forward and included in the next monthly report. The final disposition of every record request must be reported before that request is no longer carried forward into the next reporting period. If requests are dropped from the monthly progress prior to being either delivered or declared undeliverable or irretrievable, a Problem Statement shall be submitted.

6.5.6 SECURITY AND CONFIDENTIALITY REPORT

The provisions in this Section 6.5.6 supplement, but do not replace or supersede, the provisions of Exhibit D(F), Special Terms and Conditions, and Exhibit H, HIPPA Business Associate Addendum.

The Contractor shall submit reports on a monthly basis to include, but not be limited to, a Security and Confidentiality Report (S&CR).

- A. The report shall include, at a minimum, the following information:
1. Total number of threats to Sensitive and/or Confidential Information by accidental disclosures, modifications and/or destruction;
 2. Total number of threats to Sensitive and/or Confidential Information by casual access, resulting in unauthorized disclosure, modification and/or destruction;
 3. Total number of threats to the security of the HCO facility(ies);
 4. Threats made, by type;

5. Total number, by type, of authorized CDHS, federal and all other CDHS approved entities, of approved access to all HCO facilities, equipment and related materials (except for the normal day-to-day access to CDHS/HCO staff.); and
6. A summary of the daily video surveillance monitoring.

6.5.7 DISASTER PREVENTION AND RECOVERY REPORT

- A. The Contractor shall submit reports on a quarterly basis to include, but not be limited to:
 1. A report of the safety meeting held during each quarter. The report shall include:
 - a. Staff in attendance; and
 - b. Topics discussed.
 2. A report of any disaster recovery activities during each month, if any. The report shall include:
 - a. All back-up activities used;
 - b. All recovery activities used; and
 - c. All back-up facilities used and requirements used.
 3. A report of the emergency preparedness drill conducted during that quarter.
The report shall include:
 - a. The type of drill performed; and
 - b. The success/failure of the drill.

6.5.8 MONTHLY PROGRESS REPORT

The Contractor shall submit a Monthly Progress Report each month to include, but not be limited to:

- A. Table of Contents;
- B. Narrative of the month's activities and issues, and a forecast of upcoming and future activities;
- C. Monthly Report Summary;
- D. A summary computation reflecting levels of performance for all Contract requirements and to include a twelve (12) month running history; and

- E. A compilation of the daily and weekly status reports for the month.

6.5.9 MEDI-CAL PUBLICATIONS

The Contractor shall submit reports on a monthly basis to include, but not be limited to, a Medi-Cal Publications Report.

6.6 PRODUCTION OF REPORTS

The Contractor shall:

- A. Ensure that all report headings have a standard format. The heading shall include:

1. Report name;
2. Report number;
3. Program Unit name;
4. Date and time the report was produced;
5. Reporting period covered by the report; and
6. Page number (numeric).

The above listed elements shall be consistent throughout all HCO reports and may be modified at the CDHS discretion by the contracting officer in writing.

- B. Produce all reports in a legible format, approved by the CDHS.
- C. Submit any modifications to change the paper stock used for hardcopy report production to the CDHS for approval of paper size, color and weight prior to making the change.
- D. Verify that the information and/or records used in the production of all reports are the most current and accurate available. The Contractor shall also verify that the information and/or records used are the most appropriate for the report on which they are based.
- E. Verify that the reports balance within themselves.
- F. Verify that the reports reconcile with other reports with similar data.
- G. Generate corrected copies of any report, within five (5) business days of the date the CDHS or the Contractor determines that the report is inaccurate or deficient. Corrected copies shall be generated for any reports containing report deficiencies identified by the CDHS up to six (6) months from the report production date. Ensure that all corrected and re-run reports are clearly identified as corrected/re-run in the report header, and that all corrections made

are highlighted. A Problem Statement shall be issued, per requirements stated in Exhibit A, Attachment II, Section 5, Problem Correction Process, covering each corrected report. The Contractor shall issue one (1) PS per incident if all errors are related to the same issue.

- H. Produce and deliver to the CDHS a biweekly listing of all reports produced during the previous two (2) weeks. This listing shall include:
1. Report name and number;
 2. Production date and time;
 3. Date of report (reporting period covered by the report);
 4. Type of media;
 5. Number of copies of each report produced; and
 6. Delivery location of each report.

6.7 DELIVERY OF REPORTS

The Contractor shall:

- A. Deliver reports to report users as listed in the CDHS-approved Reports Distribution List, on a timely basis as defined below. Delivery shall be made on business days as outlined in the Report Distribution List, unless otherwise required by the CDHS. Report delivery is deemed to be timely if delivery to the end user occurs on or before the following delivery deadlines: (The ~~noon-2:00 PM~~ date stamp ~~circumstance provision~~, as stated in Exhibit E, Additional Provisions, ~~17, Contract Communication~~10, CDHS approval of deliverables, and Exhibit E, Additional Provisions, 17.E.- Contract Communications, will not apply to reports received ~~by 4:00 PM of the day due~~as required in subsections 1-9 below. All times are Pacific Time.)
1. Daily Reports: Deliver by 4:00 PM the first (1st) business day following the report production date.
 2. Weekly Reports: Deliver by 4:00 PM on the third (3rd) business day of the week following the reporting week.
 3. Monthly and Bi-monthly Reports: Deliver by 4:00 PM on the tenth (10th) business day of the month following the end of the reporting month.
 4. Quarterly Reports: Deliver by 4:00 PM on the tenth (10th) business day of the month following the report quarter.
 5. Semi-Annual/Annual Report: Deliver by 4:00 PM on the tenth (10th) business day of the month following the reporting period.

6. Ad hoc Reports: Deliver per CDHS instructions associated with the request.
 7. On-line Reports – Data available by 7:00 AM the day following the report date.
 8. Special Reports/Research Reports/Statistical Reports – Deliver within ten (10) business days of the CDHS request, unless otherwise directed by the Contracting Officer, by 4:00 PM on the date due.
 9. Copies of Existing Reports: The Contractor shall provide the CDHS, on request, up to ten (10) additional copies of any existing report. The Contractor shall have five (5) business days from the date on which a request for copies is received to deliver the requested copies.
- B. Deliver printed reports utilizing, but not limited to, the Contractor's courier service, U.S. Mail, or parcel service. The service used shall maintain compliance of all HIPAA requirements.
- C. Ensure that delivery receipts are prepared for reports delivered to each report user and/or receiver, located within a thirty (30)-mile radius (as determined by freeway access) of the State of California Capitol Building in Sacramento. The delivery receipt shall include:
1. Current Date;
 2. Report User Name or Receiver of Report;
 3. Delivery Location;
 4. Report Frequency;
 5. Report number;
 6. Report name;
 7. Reporting period; and
 8. Space for signature and date for report user and/or receiver.
- D. Mail printed reports with a destination outside a thirty (30)-mile radius (as determined by freeway access) of the State of California Capitol Building in Sacramento via the United States Postal Service, or other approved parcel delivery service, adhering to all HIPAA requirements.
- E. Provide reports in the media as defined in the Reports Distribution List or as specified in writing by the CDHS.

6.8 REPORTS TO MANAGED CARE PLANS

The Contractor shall submit lists or files, on a weekly basis, directly to the managed care plans regarding those beneficiaries who have been enrolled in and disenrolled from the managed care plan and the primary care provider selected by the beneficiary (if applicable) through the HCO Program.

The reports shall include all information provided on the Choice Form, e.g., beneficiary name, address, pregnancy information, etc. A copy of the weekly report to the plans shall be sent to the CDHS in a format and media approved by the CDHS.

On a weekly basis, the contractor shall report to each applicable plan the past week's packet mailings for each county in which the plan has a Medi-Cal managed care contract. A copy of the weekly report to the plans shall be sent to the CDHS in a media and format approved by the CDHS.

6.9 AUTOMATED SYSTEM REQUIREMENTS

The requirements in this section are only required if an automated system is proposed. These requirements are in addition to the previous requirements in Exhibit A, Attachment II, Section 6, Reports.

6.9.1 GENERAL REQUIREMENTS

The Contractor Shall:

- A. Provide ad hoc reporting capability. Ad hoc reports can either be prepared by CDHS staff using standard user interfaces to the HPE Process (or other automated systems), or can be prepared by the Contractor for submission to the CDHS. Reports that require the acquisition of new data, non-standard analytical techniques, custom presentational formats and/or narrative discussion shall not be considered "ad hoc reports" and shall not be subject to the provisions of this section (some such reports may be considered to be "research" or "statistical" studies, as determined by the CDHS). An unlimited number of ad hoc reports can be run or requested by the CDHS at no cost to the CDHS. The CDHS may require ad hoc reports developed by the Contractor to be re-run and/or updated using different input data, different record-selection logic, different time periods, etc. The Contractor shall save report parameters to facilitate reruns.
- B. Make all reports available in a standard electronic format (or formats) as directed by the CDHS. Electronic copies of reports must be readily available to the CDHS over a local area network, a wide area network, an Intranet, the Internet, or other suitable form of interconnectivity, as specified by the CDHS. CDHS staff and managers shall be provided with query and ad hoc reporting interfaces to the HCO system, as well as any other automated system identified by the CDHS. The Contractor shall impose no limits on the data available to the CDHS for queries and ad hoc reports, unless such limits are approved by the CDHS. Ongoing support shall be available to users of these interfaces. Users shall have the ability to save all queries and ad hoc reports for both their own future use, as well as for the use of other users.

- C. Be able to deliver On-line or Electronic Reports: Data shall be available on the Customer Service Portal by 7:00 AM the day following the report production date.
- D. Deliver printed reports utilizing, but not limited to, the Contractor's courier service, United States Postal Service (U.S.P.S.) or parcel service; electronic reports can be delivered via e-mail, posting to a secure web site, or other approved electronic distribution system.

6.9.2 TROUBLE REPORTING PROCEDURES AND REPORTS

Describe in detail all HPE Process operation trouble reporting procedures and report formats. It shall contain the specific requirements and procedures that Contractor staff are to follow when completing a Trouble Report to document the application of emergency fixes and reporting those fixes to the CDHS (via the Problem Correction Process). HPE Process operation Trouble Reports, which shall be submitted to the CDHS weekly, shall contain relevant information, incident date and time, the nature of the problem, the solution implemented, the manager involved, and any override indicator.

6.9.3 BALANCING PROCEDURES AND REPORTS

Describe the procedures to be used to balance, verify, and reconcile all HPE Process operation reports and jobs, where applicable. It shall also describe all weekly reports that present the results of balancing, verification, and reconciliation procedures.

7.0 RECORDS RETENTION AND RETRIEVAL

7.1 OVERVIEW

All Health Care Options (HCO) Program documents, generated and/or received by the Contractor shall be maintained by the Contractor in order to allow for retrieval for use by the California Department of Health Services (CDHS), the Contractor or other CDHS-authorized interested parties, during the term of the Contract and for three (3) years following the Contract Termination Date (CTD), unless they are involved in litigation, as outlined below. Required record retention durations are specified in Section 7.5 below.

The Contractor shall be responsible for serving as the custodian of all HCO Program records.

7.2 OBJECTIVES

The Records Retention and Retrieval requirements as noted in this section shall:

- A. Ensure all HCO Program records are retained in formats readily accessible to allow for easy retrieval by both the Contractor and the CDHS; and
- B. Ensure Contractor compliance with CDHS and federal laws governing security and confidentiality of all documents containing Protected Health Information (PHI). The document management process shall be capable of identifying PHI and/or confidential information.

7.3 ASSUMPTIONS AND CONSTRAINTS

- A. The requirements for records retention and retrieval differ depending on whether the records are:
 - 1. The Contractor's corporate and/or business financial records; or
 - 2. HCO Program records.
- B. Rules governing the maintenance and disposition of the Contractor's corporate and/or business financial records are contained in Exhibit E, Additional Provisions. This section governs the Contractor's responsibilities for HCO Program records.
- C. The HCO Program records, to which the requirements in this section apply, include but are not limited to, all correspondence, forms and reports that are part of, produced from, or generated as a result of HCO Program activities.
- D. If an enabling technology are proposed, the requirements for an automated system do not supersede, modify, or in any way alter other provisions in this Contract that establish requirements for the Records Retention and Retrieval requirements established in this section to retrieve HCO Program information.

- E. The CDHS may require the Contractor to submit paper copies of up to one thousand (1,000) HCO Program records annually.

7.4 RECORDS RETENTION AND RETRIEVAL POLICY AND PROCEDURES (RP&P) MANUAL

The RP&P manual shall describe the specific steps the Contractor must follow to achieve full compliance with the records retention and retrieval requirements established in this section. The RP&P shall govern both Contractor and the CDHS records retention and retrieval procedures.

The Contractor shall:

- A. Develop, implement, ~~and~~ maintain and submit updates to the CDHS-approved RP&P Manual that shall govern the Contractor's records management practices and procedures. The RP&P is to be submitted in accordance with the requirements contained in Exhibit A, Attachment I, Takeover.
- B. The Contractor shall maintain and update the RP&P manual to ensure that it accurately reflects all changes to the Contractor's records retention procedures. Procedural changes and all corresponding RP&P manual revisions shall be submitted to the CDHS for approval prior to implementation. Once CDHS approval of proposed RP&P revisions has been granted, the Contractor shall have fifteen (15) calendar days to update all Contractor-maintained copies of the RP&P to reflect all approved revisions. The Contractor shall provide the CDHS with written certification each time the CDHS approves changes to the RP&P that the approved changes have been made within the required fifteen (15) calendar day time frame and that the RP&P is accurate, current and comprehensive.

7.5 RETENTION OF HCO PROGRAM RECORDS

The Contractor shall:

- A. Preserve, protect and maintain all HCO Program records that are a part of, or result from, the Contractor's operations under this Contract.
- B. Propose, if desired, alternatives for retaining original HCO Program records. If the CDHS approves of a proposed alternative format for retaining original forms, the Contractor shall preserve, protect and maintain all original HCO Program records for a minimum period of ~~forty-five (45)~~ninety (90) calendar days after its reproduction unless required differently by the CDHS. The ninety (90) calendar day requirement does not apply to Exhibit A, Attachment II, 2.6.G., I. & L.
- C. Maintain a document management process, which shall store all HCO Program records.
 - 1. This process shall enable users to easily identify documents in any format in which each such document is stored.

2. All documents maintained by this process, regardless of format, must be complete, fully legible, fully cross-referenced (or have the ability to text search/references) with all other closely related documents, and clearly reflect all data and original signatures.
 3. All records not subject to public disclosure shall be identified, along with the reason the public disclosure is not allowed (e.g., contains confidential or proprietary information).
 4. At any time during the term of this Contract, the CDHS may designate additional documents for retention and retrieval.
 5. The CDHS shall have full access to the entire document management process for all HCO Program records maintained throughout the term of the Contract. The CDHS shall have full access to the entire document management process for those records retained after CED. This access shall extend to printing the documents or saving copies of stored documents on CDHS workstations or servers, if the information is available electronically.
- D. If the CDHS determines that hard copies produced from the proposed alternative formats, if used, are unacceptable in meeting the requirements of Sections 7.5 B and C above, the CDHS may, at its discretion, extend the time period during which original HCO Program documents and records shall be maintained by the Contractor. Any additional costs incurred by the Contractor in connection with compliance with this provision shall be the sole responsibility of the Contractor; the CDHS shall provide no reimbursement to the Contractor for such additional storage costs.
- E. In keeping with all applicable Takeover requirements, if the information is available electronically, submit the proposed electronic document management process specifications to the CDHS for approval thirty (30) calendar days prior to Assumption of Operations. If the CDHS determines that some documents must also be retained in alternative formats (such as original copies, photocopies, databases, etc.), it will provide the Contractor with a list of all affected documents, and provide retention and retrieval specifications for each listed document.
- F. Preserve, protect and maintain all HCO Program records for a minimum period of three (3) years following the last date of Contract payment or the last date of litigation, whichever is longer.
- G. Keep all records, which have been involved in matters of litigation, for a period of not less than three (3) years following the termination of such litigation, regardless of the expiration or termination of this Contract, or the expiration of the three (3) year general record storage requirement.
- H. Make all documents, which are subject to the storage and maintenance requirements in this section, fully accessible to and retrievable by the CDHS. For HCO Program records maintained by the Contractor after CED, the access

and retrieval requirements in this section shall remain in effect for the time periods specified above even after this Contract has expired or has been terminated.

- I. Develop and maintain a system for certifying the authenticity of all HCO Program records maintained during the term of the Contract as well as for those HCO Program records retained after CED.
- J. Purge, with prior CDHS approval, records that exceed required retention periods, (the Contractor may dispose of HCO Program records only after receipt of written approval from the CDHS specifying the time, place, method of disposal, and specific records or group of records to be destroyed).
- K. Transfer all CDHS-designated HCO Program records to the CDHS upon CED or to a subsequent Contractor, upon Turnover of this Contract. The CDHS shall retain the authority to designate the manner and method by which the records shall be transferred.
- L. Preserve and protect all HCO Program records transferred to the Contractor from the preceding contractor and the CDHS.
- M. Be in compliance with CDHS standards and findings concerning the legibility, completeness, and appropriate cross-referencing of all documents.

7.6 RETRIEVAL OF HCO PROGRAM RECORDS

The Contractor shall submit to the CDHS copies of any requested HCO Program records within two (2) business days of receiving a request for those records. If retrieved records must be mailed to a recipient, the Contractor shall have two (2) business days to place the requested records in the mail.

Any electronic formats and/or transmission methods used must be fully secure since they may contain Protected Health Information (PHI) and/or confidential data. The Contractor shall be responsible for identifying documents that contain PHI and/or confidential data and when requested by the CDHS, provide those documents containing PHI and/or confidential data separately from those that do not.

- A. Whether retrieved from the Contractor's document management process by a CDHS user or by the Contractor in response to a request from the CDHS, all retrieved HCO Program records shall meet the following requirements:
 - 1. The original copy of the requested document, including all attachments, shall be included with the documents submitted to the CDHS in response to a document retrieval request.
 - 2. If the original document was an attachment to another document, the document to which the original was attached, along with all other attachments, shall be submitted to the CDHS in response to a document retrieval request.

3. Upon request from the CDHS, the Contractor shall provide certification of the authenticity of any record retrieved. This requirement shall continue for three (3) years after the final payment of the Contract or the final date of litigation, whichever is longer.
4. The Contractor shall be able to provide the CDHS with fully-legible, high-quality printed copies of any HCO Program record within two (2) business days of receiving a request for those copies.
5. The Contractor and CDHS users who have been authorized to access beneficiary information based on job assignments shall be able to instantly access applicant/beneficiary-specific HCO Program records by any of the following: Document Control Number (DCN) or Client Index Number (CIN). Users of the document management process shall be able to search for information displayed by name, residence information, date of birth, aid code, medical and/or dental plan membership, etc.
6. The Contractor shall maintain a Master Index for all HCO Program records under the Contractor's custodianship. For each record listed, this index shall provide all information needed to locate, access, and/or retrieve that record. This Master Index shall be updated when records are added and/or deleted, within two (2) business days of the change. The CDHS shall have the ability to instantly access, and run reports from, the Master Index. The Master Index shall include the following information about each HCO Program record maintained by the Contractor:
 - a. The name and identification number of each record, grouped in categories and ranges. However, at the request of the CDHS, the Contractor shall be able to provide the CDHS the Master Index by individual name and identification of each record.
 - b. The medium or media of retention (e.g., the Contractor's document management process, paper, other medium).
 - c. The process to be used to access the record.
 - d. The length of time the record has been and will continue to be maintained.
 - e. Final disposition (e.g., indefinite retention, removal and destruction, archive).
 - f. The initial Master Index shall be delivered to the CDHS during Takeover one month prior to the Assumption of Operations.
 - g. The summary shall be organized by record type (e.g., Choice Form, plan correspondence, operation report).

7. The Contractor shall provide the CDHS with the capability to submit requests for printed copies of HCO Program records. The Contractor shall propose during Takeover a request submission format for the CDHS review and approval.
8. In the event of unsuccessful access of an HCO Program record, which is subject to the requirements of this section, a Problem Statement shall be generated. This requirement applies equally to failures on the part of the CDHS staff and managers to directly retrieve records from the document management process, and to failures on the part of the Contractor to retrieve documents requested by the CDHS. If a record access attempt fails due to misspecification of the search criteria (the specified CIN or DCN does not exist, for example), the Contractor shall inform the CDHS in writing of the reasons for the retrieval failure.
9. The Contractor shall accept and respond to all Subpoenas Duces Tecum, litigation discovery and Public Records Act (PRA) requests served on the Contractor, and assist the CDHS in fulfilling its responsibilities for each served upon the CDHS, for the submission of HCO Program records under the custodianship of the Contractor. The Contractor shall:
 - a. Upon direction from the CDHS, retrieve and submit to the parties specified in each Subpoena Duces Tecum, litigation discovery and PRA requests all required HCO Program records.
 - b. Report to the CDHS which records have been provided under each Subpoena Duces Tecum, litigation discovery and PRA requests.
 - c. Ensure that deadlines set by the CDHS for responding to Subpoenas Duces Tecum, litigation discovery and PRA requests are met, and when necessary, provide expert witness testimony regarding the named records by the deadlines established by the Court.
 - d. Notify the CDHS in writing prior to responding to Subpoenas Duces Tecum, litigation discovery and PRA requests and/or providing expert witness testimony.

The CDHS shall provide no additional reimbursement to the Contractor for complying with the terms of Subpoena Duces Tecum, litigation discovery and PRA requests. The Contractor may request payment for such services from the court or the party issuing the Subpoena Duces Tecum, litigation discovery and PRA requests. These requirements shall extend to records generated under prior contracts between a prior contractor and the CDHS, when such records remain in the Contractor's possession.

7.7 CERTIFICATION

Upon request from the CDHS, the Contractor shall submit documentation acceptable to the CDHS to demonstrate compliance with records retention and access requirements and shall certify, in writing, that all requirements of this

section have been, and shall continue to be met throughout the life of the Contract. In addition to the requirements specified elsewhere in this section, this certification shall confirm that copies of records received from the prior Contractor are in fact accurate copies of records transferred from the prior Contractor to the current Contractor.

The Contractor's certification procedures shall be subject to CDHS review, modification, and written approval. All CDHS-approved certification procedures shall be included as a separate section of the RP&P.

7.8 ASSISTANCE WITH INVESTIGATIONS, DISPUTES, AND LITIGATION

The Contractor shall assist the CDHS in the identification, retrieval, and certification of HCO Program records and any other information needed to support the investigation, prosecution, or defense of cases involving the Medi-Cal Managed Care Program. This requirement applies equally to medical and dental records and information.

- A. Such cases may include, but not be limited to: fraud investigations and/or prosecutions, Notices of Dispute filed by medical and/or dental plans, denials of exemption requests, CDHS recovery efforts, and actions against the CDHS.
- B. The CDHS shall have the authority to review, modify, and approve in writing the procedures, methods, criteria, or overall approach the Contractor employs to comply with this requirement.
- C. Documents requested by the CDHS for use in the State Fair Hearings process shall be delivered to the CDHS within ten (10) business days of date of request.

7.9 ACCESS

The Contractor shall establish and maintain procedures, consistent with the security provisions in Exhibit A, Attachment II, Section 8, Security and Confidentiality, for providing authorized CDHS and federal employees, agents, or representatives with access to all HCO Program records held in the Contractor's custodianship. These access procedures shall be approved by the CDHS and maintained in the RP&P manual. All such procedures shall be subject to modification by the CDHS at any time.

The Contractor shall maintain accurate records of all document/record access operations, whether carried out in the form of information searches against the Contractor's document management process, or of the access of records from other repositories in response to requests from the CDHS.

7.10 AUTOMATED SYSTEM REQUIREMENTS

The requirements in this section are only required if an automated system is proposed. These requirements are in addition to and shall not supersede the

previous requirements in Exhibit A, Attachment II, Section 7, Records Retention and Retrieval.

7.10.1 GENERAL REQUIREMENTS

The Contractor shall:

- A. Retain all HCO Program records in an appropriate electronic format (scanned image, native application format, etc.). All electronic records shall be stored and maintained in an industry-standard document management database that provides extensive, efficient, and reliable search and retrieval functionality. This document management database system shall be transferable to any other software, as directed by the CDHS.
- B. Documents designated for retention in any non-standard form must also be stored as electronic images.
- C. Preserve, protect and maintain all original HCO Program records in hardcopy, for a minimum of ninety (90) calendar days following production and/or receipt. The electronic versions of the hardcopies (as required in this section, are to be maintained in an automated electronic documents management system for a period of not less than three (3) years after the expiration or termination of the Contract).
- D. Make available to the CDHS workstations through which CDHS staff may access the document management database system whenever access through the CDHS own network is unavailable (due, for example, to an infrastructure failure on the CDHS network). CDHS staff shall have at least the same level of access as was available through its own network. No records, fields, tables, views, queries, reports, or any other database components that were available via the CDHS network shall be unavailable via the workstations provided by the Contractor. Nor shall access be subject to any additional security layers requiring additional authentication. Unless the Contractor receives written approval from the CDHS to use these workstations for other purposes when they are not needed by the CDHS, they shall be dedicated solely to providing the CDHS with access to the document management database system.
- E. Propose, for CDHS review and approval, the electronic format or formats in which records shall be made available, as well as the methods that shall be used to transmit electronic copies of HCO Program records to the CDHS. The CDHS may request either a paper or an electronic copy of any available HCO Program record.
- F. Provide a Master Index that shall be available electronically, either as a separate database, or as a component of the Contractor's electronic documents management database system.

8.0 SECURITY AND CONFIDENTIALITY

8.1 OVERVIEW

This section describes the requirements for Security and Confidentiality activities to be implemented within one (1) business day after~~by~~ Contract Effective Date (CED) and continued throughout the term of the Contract. If the Contractor initially uses temporary facilities, interim plans shall be submitted as a separate part of the Security and Confidentiality Plan that clearly addresses how the Contract requirements shall be met in the temporary facilities.

The provisions in this section supplement, but do not replace or supersede, the provisions of Exhibit D(F), Special Terms and Conditions, and Exhibit H, HIPAA Business Associate Addendum.

8.2 OBJECTIVES

The Security and Confidentiality requirements in this section shall:

- A. Protect the confidentiality, integrity and availability of information that is created, process, stored and transmitted by the Contractor;
- B. Ensure security and confidentiality of all data, regardless of transmission method or medium, and all facilities, equipment and staff associated with this Contract;
- C. Ensure compliance with all State and federal statutes and regulations – including the Health Insurance Portability and Accountability Act (HIPAA) regulations regarding security and privacy of Protected Health Information (PHI); Exhibit D(F), Provision 13; OMB Circular A-130, National Institute of Standards and Technology (NIST) SP; and Exhibit H, HIPAA Business Associate Addendum;
- D. Ensure the development and maintenance of a Security and Confidentiality Plan outlining the policies and procedures for the storage, processing and handling of all information (including PHI) by the Contractor and subcontractors as well as the security of all facilities, equipment and staff associated with this Contract to ensure compliance with regulations; and
- E. Ensure compliance with ~~ISO~~International Organization for Standardization, using NIST special publications.

8.3 GENERAL RESPONSIBILITIES

The Contractor is responsible for following industry best practices for ensuring that the Contractor's HCO facility(ies) are safe and securely protected, and that all HCO Program information designated as Confidential Information be maintained secure from breach and not provided, either intentionally or accidentally, to parties not authorized to have access to such information.

All electronic media transmissions shall be encrypted using industry-standard protection approved by CDHS in writing.

8.4 SECURITY AND CONFIDENTIALITY PLAN

The Contractor shall develop, implement and maintain a Security and Confidentiality Plan that:

- A. Protects the confidentiality, integrity and availability of information that is created, processed, stored and transmitted by the Contractor.
- B. Provides the processes and procedures to ensure adequate physical and operational security for the various operations related to those portions of the network not supported by the Department of Technology Services (DTS) as well as prevents unauthorized disclosure of Confidential Information.
- C. Addresses all Contractor facilities associated with this Contract, whether temporary or permanent.
- D. Includes a list of all authorized staff and their levels of access to the operational facility(ies) and to specific areas of information based on job assignment.
- E. Provides detailed standards and procedures for the following items:
 - 1. Identifying and marking of Sensitive Information
 - 2. Storing of Sensitive Information, including custodial responsibility
 - 3. Access, and duplication of Sensitive Information
 - 4. Disclosure of Sensitive Information, including approving authority
 - 5. Disposal of inactive Sensitive Information, including secure archives and shredding
 - 6. Compilation of a list of all classes and types of HCO documents, information
 - 7. Confidentiality classification criteria for each item on the compiled list from item 6 above
- F. Establishes procedures for dealing with the following potential categories of threats to Sensitive Information:
 - 1. Accidental disclosure, modification and/or destruction because of hardware error, process error, human error, or any combination of these.
 - 2. Casual access, resulting in unauthorized disclosure, modification and/or destruction by, but not limited to:
 - a. Non-technical persons such as terminal operators, support staff, janitors, maintenance workers, vendors or subcontractors

- b. Skilled technicians such as operations staff, or others who have significant expertise in all process areas
 - c. Managers, supervisors, and others with authorized access
 - d. Premeditated criminal acts
 - e. Natural disasters
 - f. Labor strikes
- G. Addresses the requirements contained in this section and with the following authorities:
 - 1. OMB Circular A-130, NIST SP800-59/60
 - 2. 45 Code of Federal Regulations, Section 205.50
 - 3. California Public Records Act (California Government Code §6250 et seq.)
 - 4. Welfare and Institutions Code Sections 10850, 10850.1, 10850.2 and 14100.2
 - 5. Title 22, California Code of Regulations, Section 51009
 - 6. California State Administrative Manual, Section 4800
 - 7. Information Practices Act of 1977 (Civil Code §1798 et seq.)
 - 8. Confidentiality of Medical Information Act (California Civil Code §56 et seq.)
 - 9. HIPAA
 - 10. Federal Information Processing Standards (FIPS)
- H. Addresses processes for transportation and information holding resources, both temporary and permanent, used by the Contractor throughout the term of the Contract, and the facilities which handle both electronic and/or hard copy information.

8.4.1 SECURITY

The Contractor shall:

- A. In addition to the plans and deliverables stated in this section, provide all Security and Confidentiality procedures and/or related documentation to the CDHS within one (1) business day after receipt of a request from the CDHS.
- B. Submit, on a yearly basis beginning two (2) months prior to Assumption of Operations and continuing every January 15th of each year, written

documentation, the template of which to be submitted during Takeover for CDHS approval, to demonstrate compliance with all Security and Confidentiality requirements in this section. The Contractor shall certify, in writing, that all requirements of this section have been and shall continue to be met throughout the term of the Contract. This may include periodic compliance assessments upon CDHS request to demonstrate compliance with new State and/or federal requirements; this requirement will not be met until the CDHS approves in writing the deliverable each time it is submitted.

- C. Permit authorized CDHS and federal representatives to access any facility, equipment, and related materials covered by this Contract. Such access shall be at the discretion of the CDHS as described in Exhibit E, Additional Provisions, unless applicable law grants independent access to representatives of other CDHS and federal agencies. Only authorized CDHS representatives shall have twenty-four (24) hour access to any HCO or subcontractor facility for the purpose of unannounced inspections and monitoring activities.
- D. Secure all Contractor facilities, including disaster back-up sites, so that only authorized persons designated by the CDHS are permitted entry into the facility, and that such persons are restricted to those areas that they are permitted to access. Access control requirements shall include:
 - 1. Facility entry and control points shall be locked or guarded at all times; lock codes shall be changed every six (6) months throughout the Contract term. Control points shall be established for each of the following areas: main entrance to the facilities, service entrances, loading platform and garage entrances; inside entrance to the facility, and secondary entrances.
 - 2. The facility(ies) shall be monitored by security guards between the hours of 7:00 AM and 6:00 PM Pacific Time, Monday through Friday, excluding State holidays. The security staff shall be responsible for entry into the facility; however, the Contractor staff shall be responsible for the issuance and monitoring of facility badges and contacting the appropriate staff for escorting guests into the facility(ies).
 - 3. The Contractor shall monitor closed-circuit TV(s) which shall record vulnerable areas (e.g., using surveillance cameras with video recording equipment), including but not limited to: the reception area; all outside entrances to the facility(ies); inside entrances to the HCO Program areas, if other Contractor accounts are served from the same location; loading docks and garages; operations facilities/room; and on/off-site vault storage areas. The Contractor shall audit each twenty-four (24) hour record within one (1) business day of recording. The closed-circuit TV(s) and recording system shall link up to a monitoring station that is operative twenty-four (24) hours a day, seven (7) days a week. The recorded information for each twenty-four (24) hour period shall be logged and kept for a minimum of one-hundred eighty (180) calendar days from the date recorded. A copy of the recorded information, in a media determined by CDHS shall be provided to the CDHS within twenty-four (24) hours of request.

4. Ensure parking lots are well lighted. Personnel to provide safety escort service shall be available to both CDHS and Contractor staff working before and after daylight hours, from the facility to their means of transportation within the parking lot, upon request, between the hours of 7:00 AM and 9:00 PM Pacific Time, Monday through Friday, and 7:00 AM and 6:00 PM Pacific Time, Saturday, excluding State holidays. Such service shall be available without endangering the integrity of the remaining security system.
5. Provide to the CDHS on a monthly basis a current list of all authorized staff and their levels of access. Upon change of duty or termination of Contractor staff, access authority shall be updated or removed immediately upon change of employment status and the CDHS notified of such change.
6. Require a badge, with recent photo, and key card system using a two- (2) factor authentication system, for staff. Staff badges shall denote the level of access allowed to the individual. Temporary badges shall be required for visitors. Visitor badges shall denote whether escort by Contractor or authorized CDHS staff is required. The key card for all Contractor staff and visitors shall be re-coded every six (6) months throughout the Contract term, unless the Contractor proposes and the CDHS accepts an equivalent system that shall provide equal protection for the facility environment.
7. Require a key card system for entrance to all CDHS-designated areas. The Contractor shall record access of all staff entering the CDHS-designated areas and submit a security access report to the CDHS each month. The report must include, but not be limited to, badge number, name of employee assigned to the badge number, designated section or unit the employee is assigned to work, whether any Contractor or CDHS staff were denied entry, and the date, time, and location of the access.
8. Log the entry and exit of visitors and messengers by visitor name, agency represented, date and time of arrival and departure, telephone number, and name of individual to whom visit is made. Identification and/or credentials of all visitors and messengers shall be verified and validated. Visitors and messengers shall be given badges and escorted to their destination by the Contractor staff, CDHS employee, or security guard. All temporary badges shall be monitored, tracked and retrieved from visitors and messengers upon their departure and the entry log updated. The entry log shall be audited daily. The Contractor shall, at the end of each business day, disable all temporary access badges that are not returned at the end of that business day. The Contractor shall not issue any temporary badge on a permanent basis to any entity. A copy of the entry log shall be submitted to the CDHS monthly.
9. Secure and lock the telephone room and any junction boxes between the telephone room and the operations room at all times with key control under the supervision of the building and/or data processing management. The appropriate CDHS staff shall have access to all operations rooms and phone rooms, as part of standard network staff badge access as directed by the CDHS.

10. Secure and lock the operations and equipment room/facilities at all times.
 11. Protect the facility(ies) against intrusion during non-working hours with an appropriate surveillance alarm extended to the manned monitoring center.
- E. Require adequate authentication, authorization and accountability in order to access Medi-Cal Eligibility Data System (MEDS) and any other system needed to perform HCO Operations functions via computer terminal.
 - F. Protect all information files, whether hard copy or electronic copy, to prevent unauthorized access.
 - G. Develop and submit to the CDHS procedures for the handling, packaging, and transportation of Sensitive and Confidential Information, PHI and resources. The procedures shall ensure against unauthorized access.
 - H. Ensure only authorized persons may access, commensurate with a person's required duties (role-based access) the following:
 1. Sensitive or Confidential Information and PHI
 2. Process programs and process documentation, including procedure manuals
 3. Operations room, information libraries, and vaults
 - I. Establish and maintain CDHS-approved internal security procedures and set safeguards in effect, which protect against possible collusion between Contractor employees and any other party, as well as safeguard against other potential security breaches.

8.4.2 CONFIDENTIALITY

The Contractor shall:

- A. Maintain the Master Index of Records. Indexed records shall be classified either as "Public" (per Public Records Act, Government Code Section 6250 et seq.) or "Confidential" as defined in Security and Confidentiality Plan, 8.4 above, as well as secure or protected pursuant to HIPAA regulations regarding PHI. The CDHS shall respond to Contractor questions regarding the classification of information. The Contractor shall not disclose information classified as sensitive or confidential without advance written authorization from the CDHS and without using CDHS-approved encryption solution for electronic media.
- B. Ensure information, data, and/or programs of any type, as well as statistical and analytical material and reports based on material used by the Contractor that is not confidential under this paragraph, but are related to the administration of the HCO Contract, shall not be disclosed by the Contractor to any person or entity without advance written authorization from the CDHS.

- C. Ensure Sensitive and/or Confidential Information is handled and stored in such a manner as to preclude unauthorized disclosure. It shall be stored in secured archives or, if destruction is necessary, it shall be shredded. The integrity of Sensitive and Confidential Information shall be protected from unauthorized disclosure at all times, including while in transit. Electronic data shall be destroyed using industry standard practices, with advance written authorization from the CDHS, when data is no longer necessary.

8.4.3 RISK ANALYSIS/ASSESSMENT

In order to ensure that all data, hard copy or electronic, including PHI, shall remain secure and confidential, the Contractor shall perform an analysis of the risks that exist to keep that information private.

The Contractor shall:

- A. Perform and document a detailed Risk Analysis/Assessment report, which defines all risks associated with collection, storage, processing, transition, transportation, discarding or use of information under this Contract. This analysis/assessment shall be completed by an approved Risk Assessor and reviewed by the Contractor's Information Security Officer prior to submission to the CDHS.
- B. Provide the Risk Analysis/Assessment report that contains timeframes for implementing the specified safeguards.
- C. Ensure the Risk Analysis/Assessment report be submitted as a separate document.
- D. Ensure all backup documentation and safeguard review materials are delivered to the CDHS simultaneously with the Risk analysis/assessment report. Annually, or as the Contractor or the CDHS deem necessary the Contractor shall perform additional Risk Analyses/assessments; review implemented safeguards; and modify, add, or delete safeguards as the need arises and as the CDHS requests.
- E. Ensure the Risk Analysis/Assessment report is submitted to the CDHS for review and written approval, and that safeguard implementation is completed, two (2) months prior to Assumption of Operations. On or before January 15th of each year, or as risks not addressed or addressed insufficiently are found, the Contractor shall have performed and then submit additional Risk Analysis/Assessment reports, review implemented safeguards, and modify, add, or delete safeguards as the need arises or as the CDHS requests.
- F. Perform a risk analysis, and submit a Risk Analysis/Assessment report and a Corrective Action Plan for each identified issue to the CDHS no later than ten (10) business days of written notification and/or Contractor identification of the risk.

8.4.4 NATIONAL PROVIDER IDENTIFIER (NPI)

The Contractor shall design, develop and implement the record changes necessary for the National Provider Identifier (NPI) standard. The Centers for Medicare and Medicaid Services (CMS) has adopted NPI as the standard unique identifier for healthcare providers to use in filing and processing healthcare claims and other transactions. The NPI is a new number that will be issued through the National Provider System and replaces all “legacy” identifiers that are currently being used.

The Contractor shall:

- A. Accommodate provider numbers using the NPI standard.
- B. Ensure compliance to HIPAA rulings for the NPI standard.
- C. Capture and store the NPI within the Enrollment/Disenrollment Processing or HPE Process (if an automated system is proposed and accepted as part of this Contract).
- D. Ensure all process output utilize the NPI.
- E. Update Enrollment/Disenrollment Processing or HPE Process (if an automated system is proposed and accepted as part of this Contract) processes and user documentation to replace all references of the current provider number with the NPI.
- F. Allow a link with CDHS systems and subsystems when appropriate.

8.5 MEDI-CAL PUBLICATIONS SECURITY AND CONFIDENTIALITY

The Contractor, and all its subcontractors and vendors, shall comply with all security and confidentiality requirements specified in this Contract throughout the Contract term. The Contractor shall meet the following requirements:

- A. The Contractor shall maintain complete confidentiality during the development process of new Medi-Cal publications and shall not make such publications available to any party, private or otherwise, without CDHS advance express written authorization during the development of the publication.
- B. The Contractor shall preserve the confidentiality of focus group respondents.
- C. The Contractor shall observe the CDHS privacy and confidentiality standards, including the Health Insurance Portability and Accountability Act {(HIPAA) (as stated in Exhibit A, Attachment II, Section 7, Records Retention Section)} when accessing and/or distributing Sensitive, Confidential and Protected Information.

10.0 HEALTH PLAN ENROLLMENT PROCESS

10.1 OVERVIEW

Nothing contained in the subsections of Section 10.0 shall be construed to state a requirement to propose an automated system. The requirements in this section are only required if an automated system is proposed and accepted as part of the Contract. Mandatory language (e.g., use of the word "shall") in the subsections of Section 10.0 states a requirement only if an automated system is proposed and accepted as part of the Contract. These requirements are in addition to, and shall not supersede, all other requirements established in Exhibit A, Attachment I, II and III.

Most Health Care Options (HCO) Program operational areas may be automated and supported by an information system which shall be referred to as the Health Plan Enrollment (HPE) Process.

The primary HCO Operations consist of the following core processes which may be automated by an HPE Process:

- Eligibility Information
- Information Processing
- Telephone Call Center
- Materials Inventory Tracking
- Informing Materials Control Binder Processes
- Enrollment Processing
- Disenrollment Processing
- Interfaces With the Medi-Cal Eligibility Determination System
- Exception to Plan Enrollment Processing
- State Fair Hearing Processing
- Problem Correction Process
- Reports
- Records Retention
- Document Management System

The first part of this section describes the operational requirements that apply to the HPE Process. The Contractor shall fully implement a comprehensive HPE Process which consists of the enrollment and disenrollment processes, supports exception to plan enrollment processing, controls the informing materials mailing process, supports the Telephone Call Center (TCC) function, generates reports, manages documents and performs various other functions.

Next, this section describes the HCO Operations standards and requirements to which the Contractor must adhere when analyzing, designing, developing, and maintaining processes and manuals for the HPE Process operations and supporting processes. These standards provide a consistent and manageable process.

The last portion of this section provides a description of the responsibilities and organization of the Contractor's HCO Operations staff responsible for the HPE

Process, as well as the Contractor's responsibilities during all process changes. The CDHS places a high priority on the speed, ease and stability with which changes can be implemented in the HPE Process. The CDHS recognizes that the scope and complexity of required HCO Operations changes will vary widely. Regardless of the scale of a particular change, however, the CDHS shall have sufficient monitoring and oversight processes in place to provide the CDHS with reasonable assurance that changes have been correctly applied.

10.2 OBJECTIVES

The Contractor shall:

- A. Develop and implement a process for tracking and reporting its achievement in meeting all requirements as stated in this section;
- B. Ensure that all HPE Process functions that support the core functions of the HCO Operations are fully implemented and maintained;
- C. Ensure that HPE Process functions adhere to industry standards and where required are Health Information Portability and Accountability Act (HIPAA) compliant and accommodate Medicaid Information Technology Architecture standards;
- D. Ensure that the HPE Process operational environment is consistent, flexible and manageable;
- E. Ensure that a comprehensive HPE Process operations documentation library is created and maintained;
- F. Establish a systems group responsible for HPE Process Operation maintenance and enhancements along with a consistent process for implementing process changes;
- G. Establish systems industry standard authentication, authorization, and accountability mechanisms; and
- H. Establish systems using industry standard architectures (i.e., n-tier, etc.)

10.3 GENERAL REQUIREMENTS

The HPE Process operations shall provide centralized control of all beneficiary and health plan information relating to the enrollment and disenrollment process. At a minimum, the HPE Process shall be capable of:

- A. Recording, identifying, indexing and filing all forms and documents associated with the enrollment and disenrollment processes. All workstations/laptops used to support the Contract must be encrypted, and provide a mechanism for securing of removable media.

- B. Supporting the recording of information associated with the enrollment and disenrollment processes and with the customer service functions.
- C. Flexible, intuitive and easy to use ad hoc query and reporting interface to the Contractor's HPE Process, and other automated systems identified by the CDHS.
- D. Ensuring continuity of eligibility history for each beneficiary, regardless of changes in county of residence, aid category, periods of ineligibility, change in county-assigned number, or Medi-Cal Eligibility Determination System identification (MEDS ID) number.
- E. Maintaining, storing, updating, retrieving, and summarizing all beneficiary, health plan, and related data in accordance with industry-standard database functionality for the term of the Contract.
- F. Providing easy-to-implement automated alternatives to manual processes.
- G. Providing users with direct access to electronic copies of the forms and informing materials housed in the Document Management Database system (See Exhibit A, Attachment II, Section 7, Records Retention and Retrieval). All forms and documents currently used in the informing and enrollment process, and all previous and discontinued forms and document versions, shall be retrievable from the HPE Process. The interface to the electronic document management database system shall be as direct and simple as possible, requiring a minimum of user actions (authentication, navigation through screens and menus, etc.). Informing materials and documents shall be accessible to all users through the system interface seven (7) days per week, twenty-two (22) hours per day (4:00 a.m. – 2:00 a.m.). The maximum unscheduled downtime for this interface shall be one-half (1/2) hour per week.
- H. Capturing, storing, managing, indexing, and making available all forms and other documents used in the informing and enrollment process. Collectively, these documents will comprise an electronic library of beneficiary informing materials. The documents maintained in the system's electronic library shall also be maintained in the electronic document management database system, as specified in Exhibit A, Attachment II, Section 7, Records Retention and Retrieval. The HPE Process electronic library shall be available to all users for a minimum of seven (7) days per week, twenty-two (22) hours per day (4:00 a.m. – 2:00 a.m.), with a maximum unscheduled downtime not to exceed one-half (1/2) hour per week.
- I. Interfacing with secure web sites (e.g., internet, extranet, and intranet sites) for secured communications with applicants, beneficiaries, the California Department of Health Services (CDHS), other State and federal entities, health plans, and any other entities authorized to exchange information with the Contractor. The Contractor may also provide a secure web portal that authorized Contractor and CDHS staff may use for remote access to the HPE Process. HPE Process web sites shall be available to all users for a

minimum of seven (7) days per week, twenty-two (22) hours per day (4:00 a.m. – 2:00 a.m.), with a maximum unscheduled downtime not exceed one-half (1/2) hour per week.

- J. Providing users with access to a Problem Correction Process (PCP) tracking database. The Contractor shall enter all Problem Statement (PS) information into this database and use it to document the status of all PSs through to final resolution. The PCP Tracking Report shall be generated from this database on a weekly, monthly and on-demand basis. This report shall include all PSs, whether open or closed, in the system. The reporting function shall be capable of sorting the records in the report by any of the fields included in the report. The sorting scheme used in PCP Tracking Reports shall be approved in writing by the CDHS prior to use.
- K. Implementing an electronic document management database system that runs on an industry-standard hardware platform, and within an industry-standard database management system software environment. The system shall employ the latest widely accepted industry standards, designs, formats, software and/or media and comply to industry standards which are published in American National Standards Institute (ANSI)/Association for Information and Image Management (AIIM) standards documents.
- L. Retaining in a readily retrievable form all HCO Program forms, all information relating to forms processing, all mailings and all Contractor staff contacts with applicants, beneficiaries and/or their authorized representatives, regardless of how that information was recorded. The HPE applicant/beneficiary tracking function shall include but not be limited to:
 - 1. A process to track all contacts between applicants, beneficiaries and/or their authorized representatives and Contractor staff (such as TCC staff, Enrollment Services Representative (ESR) staff, research staff, etc).
 - 2. A process to track all mailings to applicants, beneficiaries, and/or their authorized representatives, and health plans including, but not limited to, special notices, annual renotification letters, and informing packets. The mail tracking function shall retain records of all returned mail, indexed to the undeliverable addresses to which it was sent.
 - 3. A process to track all complaints and grievances lodged by applicants, beneficiaries and/or their authorized representatives.
 - 4. The capability to produce full historical reports of all Contractor contacts with applicants, beneficiaries, and/or their authorized representatives, and with health plans. Information on all types of contacts—mail, telephone, and in-person—shall be available for inclusion in reports.
- M. Sharing Eligibility file records with CDHS, health plans and other entities, as directed by the CDHS.
- N. Providing all reports as required and/or requested by the CDHS.

- O. Maintaining, storing, updating, retrieving, and summarizing all beneficiary, health plan, and related information for the life of the Contract.

10.4 HPE PROCESS COMPLIANCE PLAN

- A. The Contractor shall maintain and update, as approved in writing by CDHS, the Contractor's HPE Process Compliance Plan. This plan shall be submitted as required in Exhibit A, Attachment I, Takeover, HPE Process. The plan shall:
 - 1. Detail the Contractor's activities that shall be performed in order to bring its HPE Process functions into full compliance with all standards and requirements in this section.
 - 2. Implement techniques for complying with Contract requirements that are consistent with the current industry standards in these areas.
 - 3. Not be revised without prior written approval from the CDHS.

10.5 HPE PROCESS PROCEDURES AND SYSTEMS GROUP ORGANIZATION MANUAL

- A. The Contractor shall maintain and update, as approved in writing by CDHS, the Contractor's HPE Process Procedures and Systems Group Organization Manual. This plan shall be submitted as required in Exhibit A, Attachment I, Takeover, HPE Process. This manual shall:
 - 1. Describe the procedures the Contractor shall follow for implementing the requirements as described in this section.
 - 2. Provide staffing information and procedures that the SG shall follow in accordance with Exhibit A, Attachment II, Section 10, HPE Process.

10.6 SYSTEMS DEVELOPMENT GUIDELINES

The Contractor shall use structured analysis, design and programming techniques that are consistent with the current industry standards in these areas.

10.7 SOFTWARE AUTOMATION TOOLS

The Contractor may use various software automation tools that are compatible with both the CDHS and Contractor system environments. These automation tools can include program code analyzers, system measurement and monitoring tools, data and logic restructuring tools, reverse engineering techniques, and compression software designed to improve systems and the maintenance process.

10.8 COMPUTER HARDWARE

The Contractor shall acquire hardware and software that meets and/or exceeds the system availability and response time requirements set forth in this Contract.

10.9 ELECTRONIC DOCUMENTS AND COMPUTER GENERATED IMAGES

All images shall be produced as specified in the applicable standards of the Association for Information and Image Management (AIIM) (i.e., MS52 1991 and MS53 1993). These standards shall apply to all electronic images. All reports shall be produced electronically (although they may be printed and distributed on paper) as required by Exhibit A, Attachment II, Section 7, Records Retention and Retrieval requirements of this Contract. Reports and all attachments there to and/or document facsimiles shall be digitally stored in the Electronic Document Management Database system.

The Contractor shall:

- A. Ensure that regardless of how individual documents are entered into the system (i.e., scanned paper copy or electronic files), all documents are electronically stored and readily retrievable.
- B. Ensure that the retention period of all electronic documents is consistent with the records retention provisions of Exhibit A, Attachment II, Section 7, Records Retention and Retrieval.
- C. Ensure that duplicates, copies, and printed copies of scanned images are complete, free of significant blemishes, and are of sufficiently high resolution to be clearly readable. "Clearly readable" shall be defined as meeting the conditions of acceptability as evidenced in a court of law under Evidence Code §1500 et seq.
- D. Ensure that all scanned document images are exact and unaltered replicas of the original documents.
- E. Ensure that inspection procedures are established to monitor for defects. Inspections shall be made for, but are not limited to:
 - 1. Images that are not clear and distinct.
 - 2. Characters and symbols that are filled in or are too light to be legible.
 - 3. Lines that are discontinuous or too light to be legible.
 - 4. Data that is obscured, illegible, blurred, or out of focus.
 - 5. Blisters, tears, or processing stains.
 - 6. Scratches that appear through image areas.

7. Documents that were so skewed and/or off-center when scanned that one or more characters is out of the printable and/or visible margins of the page.
 8. Improper alignment between the form overlay and the data populating the form fields.
 9. Finger marks, oil, and/or grease.
- F. Replace images that are deficient in any of the above areas with corrected images no later than fifteen (15) business days following the date on which the Contractor discovers the illegible image, or on which the CDHS notifies the Contractor in writing of a defective image.
- G. Establish written procedures for written CDHS approval for certifying that stored images are true and correct copies of the original document.
- H. Perform index entry verification to confirm that all images are properly indexed and easily and accurately retrievable.
- I. Ensure that the systems used to store and retrieve records are not allowed to become obsolete. Upgrades shall be applied as soon as they have been determined to be stable, and entire systems are to be replaced well before vendor support for them is withdrawn.
- J. System maintains sufficient system logs to produce access logs to all images.

10.10 COMMUNICATION STANDARDS

In establishing data communication links with the CDHS, the Contractor shall employ communication protocols and data formats approved in writing by the CDHS. In establishing procedures for data exchanges with health plans and other outside entities, the Contractor shall use accepted, industry-standard and HIPAA compliant protocols and data formats that are approved in writing by the CDHS, and that provide sufficient security to protect the confidentiality and integrity of the data. If conflicts develop between these requirements, the Contractor shall immediately refer the matter to the CDHS for resolution. See Exhibit H of the RFP, the HIPAA, Business Associate Addendum, for more specific requirements.

10.11 SYSTEM AVAILABILITY

For purposes of the requirements set forth in this section, "system availability" is defined as the proportion of scheduled operational time that the main operating facility hardware, systems software, and on-line applications software are available to users. Availability is expressed as a proportion, defined as the time scheduled less the time down, divided by the time scheduled.

The Contractor's HPE Process, and all supporting and ancillary systems, shall meet the following system availability requirements and standards:

- A. The Contractor shall ensure that the CDHS access to the HPE Process, and all other Contractor systems to which the CDHS has access, are not interrupted or superseded, except with the CDHS prior written approval, for any Contractor activity including system maintenance (preventive, scheduled or otherwise) and system and/or program processing (scheduled or unscheduled).
- B. Whenever a system covered by these requirements becomes inaccessible for any reason, the Contractor shall notify the CDHS within one (1) hour of the incident. Verbal notification and a follow up email shall be provided to at least one (1) CDHS HCO manager. The CDHS shall provide the Contractor with the names and e-mail addresses of the CDHS HCO managers who are to be contacted in the event of an HPE Process downtime incident. The CDHS shall again be notified both verbally and via email within one (1) hour of when the inaccessible system returns to normal operations. If a covered system becomes inaccessible during non-business hours, notification shall be provided to one (1) or more CDHS HCO managers on the notification list by email no later than 7:00 AM and verbally by 9:00 AM of the next business day following the system downtime incident. Each time the CDHS is notified verbally and via email of a system downtime incident, that notification shall be followed by PS.

10.11.1 SYSTEM AVAILABILITY STANDARDS

- A. The HPE Process, and all supporting and ancillary systems, shall be available for the conduct of all HCO Program Operations under the terms of this Contract at least ninety-eight percent (98%) of the total time between the hours of 7:00 AM and 6:00 PM Pacific Time, Monday through Friday, excluding State holidays, as determined by a weekly average of five (5) business days over the course of each one (1)-month reporting period. This standard applies to all applications including but not limited to supporting customer assistance, mailing functions, forms processing, field operations, reporting and CDHS oversight.
- B. The Contractor shall perform all non-routine system maintenance and file updating activities before or after business hours, as approved in writing by the CDHS.

10.11.2 HPE PROCESS RESPONSE TIMES

Ninety-five percent (95%) of system inquiries entered by all users shall be processed within three (3) seconds. System response time consists of the time that elapses between the moment a user depresses the "enter" key, and the moment the requested data is displayed on the user's screen.

10.11.3 REPORTS

- A. On a monthly basis, the Contractor shall report to the CDHS on all downtime incidents involving the systems covered by the requirements in this section. For each incident, the date and time of occurrence, the duration in minutes,

the cause, the resolution, and any preventive measures taken shall be reported.

- B. On a monthly basis, the Contractor shall report to the CDHS the HPE Process terminal response time, averaged over the reporting period.

10.11.4 CDHS ACCESS TO SYSTEMS

The Contractor shall:

- A. Provide the CDHS with unfettered access to the HPE Process, and to all related and supporting data systems. Access to other than 'read only' records will be granted only by special request or through security protocols.
- B. Provide CDHS staff with unfettered access to the HPE Process query and reporting functions and any other system activity. CDHS staff shall have the capability to run both pre-programmed and ad hoc queries and reports without any restrictions.
- C. Provide the CDHS with read access over the Contractor's network to all HPE Process applications and files utilized by the Contractor's SG staff for application development and reporting. CDHS access shall begin on the Contract Effective Date (CED) and remain in effect throughout the term of the Contract. No access time or duration limits shall be imposed on the CDHS access to these system areas.
- D. Provide CDHS staff with sufficient data storage space on the HPE Process in order to store queries, reports, query and report scripts, and system testing files.
- E. Provide designated CDHS staff with access to all utilities and software packages available to the Contractor's SG staff. The Contractor may seek to waive this requirement for software that, if used improperly, poses a significant risk to the HPE Process or the data it contains.
- F. Provide the CDHS with the capability to independently test the HPE Process and auxiliary systems. The CDHS shall have the capability to run a variety of tests, including but not limited to running standard HPE Process jobs against test data files, running queries and reports, retrieving data records (random samples, for example), key-entering data, and scanning. CDHS testing shall occur in an environment where it can have no effects on the production HPE Process, its subsystems, or data files. Sufficient disk storage space shall be allocated to this area to support the CDHS testing requirements.
- G. Provide the CDHS with the ability to continuously review the file of any beneficiary, except for daily maintenance periods. This will not include the ability to change existing information in the file. The Contractor shall allow the CDHS to make additional notations to existing files. The Contractor shall provide the CDHS access via telephone lines, computer terminals or other available technology to the entire Contractor's on-line enrollment information,

image view of scanned forms, eligibility and enrollment records. Access will be available from 7:00 AM to 6:00 PM Pacific Time, Monday through Friday, excluding State holidays.

- H. Ensure that designated CDHS staff has sufficient access to the HPE Process to oversee and conduct systems testing and monitoring. In order to provide the CDHS with the necessary access, the Contractor shall:
 - 1. Enable CDHS monitoring staff to validate all Contractor test runs. The Contractor shall provide the CDHS with test data files, all necessary programming code (including macros, script files, etc.), documentation (including data dictionaries and data record layouts), protocols, scenarios, evaluation criteria, and any other necessary testing prerequisites the CDHS would need to validate and replicate the Contractor's results. The test data must not contain any production data.
 - 2. Provide designated CDHS staff with copies of any requested HPE Process data files, including HPE Process data tables. The Contractor shall submit the requested files to the CDHS within two (2) business days of receiving a request. The Contractor shall provide CDHS staff with the ability to order file copies electronically, over the Contractor's network.
 - 3. Ensure that the entire HPE Process, including all subsystems and supporting systems, is available to CDHS staff for testing. The CDHS shall have the capability to test the HPE Process to ascertain that changes have been installed correctly and policy is being executed as required.
 - 4. Provide the CDHS with the capability to pull random samples from the available data files and tables, and to run tests under randomized conditions (test runs that repeat at random intervals, that run against randomly chosen records or files, etc.).
- I. Provide the CDHS with sufficient HPE Process access to enable it to monitor:
 - 1. Production HPE Process libraries
 - 2. Production HPE Process load module libraries
 - 3. Data and system security procedures
 - 4. Data element dictionary information
 - 5. Data record layout descriptions
 - 6. HPE Process data files

10.12 SYSTEM DESIGN STANDARDS

The hardware and software platforms as well as database management system on which the HPE Process and all its supporting and ancillary systems run shall be industry-standard and non-proprietary. The HPE Process shall be fully compatible with the CDHS systems with which it shall exchange data, and the CDHS networks to which it shall be accessible. "Full compatibility," for the purposes of the section, means:

- A. That the communication protocols and data exchange formats in use by the CDHS data systems and networks with which the HPE Process communicates shall be fully implemented on the HPE Process.
- B. That connections between the HPE Process and CDHS data systems and networks are robust, reliable, and fully functional.
- C. That the user sessions hosted by the HPE Process shall not vary by user origin. This means that sessions opened by external CDHS users shall be identical, in terms of functionality, to sessions opened by internal Contractor personnel.
- D. User sessions shall make full use of the current personal computer (PC) workstation.
 - 1. The session itself shall be in full Graphical User Interface (GUI) mode. The session shall not take place in a text-based window operating within the PC GUI.
 - 2. The PC mouse shall be fully functional in the session (point-and-click, drag-and-drop, etc).
 - 3. The session shall be capable of supporting multiple processes running in separate windows.
 - 4. All session connections to web enabled applications must employ end-to-end encryption.

10.13 DOCUMENT REQUIREMENTS

10.13.1 DATA ENTRY PROCEDURES

This section shall describe all approved data entry methods, including key data entry (KDE) and scanning. Each procedure shall cover the source and type of data to which it applies, a data entry method description, the formats used, the specifications of any data entry programs developed to facilitate that procedure, the function of the data, and the data destination.

10.14 SYSTEM PROCESSING

The Contractor shall describe all computer instructions necessary for performing each major HPE Process processing step. This is not a requirement to document every line of instruction in every HPE Process program. It refers instead to the high-level instructions that initiate and terminate the major stages in the HPE Process processing cycle. The description of each instruction shall specify its source. If the source of the instruction is an HPE Process program, that program shall be referenced using its standard naming convention identifier. If the source of the instruction is manual intervention, the HPE Process processing section shall specify who intervenes to issue the instruction, and how and when that intervention takes place.

10.15 SYSTEM DATA DICTIONARY

The Contractor shall:

- A. Create and maintain an HPE Process Data Dictionary containing detailed, specific descriptions of all data elements in all HPE Process databases and application programs.
- B. Make the full and current HCO Data Dictionary available to all CDHS users the CDHS network.
- C. Ensure that the Data Dictionary shall contain, at a minimum:
 - 1. Data element name
 - 2. Unique data element number
 - 3. Description of the data element and all of the possible values
 - 4. Format of the data element
 - 5. Security and confidentiality requirements associated with the element
 - 6. File cross-reference (a list of files and programs that use the data element)
 - 7. Originating source
 - 8. Edit error codes that relate to this data element
 - 9. The names and numbers of all reports that use the data element
- D. Submit a data element naming protocol that shall be used to generate all data element names in all HPE Process databases and applications. The naming protocol shall be included in the HPE Process Data Dictionary.
- E. Make all necessary and appropriate updates to the Data Dictionary and its documentation whenever any changes are made to HPE Process databases and/or programs (e.g., as a result of the generation of SDNs, Change Orders, reports, system fixes, etc.). The Contractor shall also be responsible for

providing the CDHS with any customized enhancements, additional features, or interfaces (or revisions to such features) that the Contractor develops in conjunction with the Data Dictionary software.

- F. Print for the CDHS or ensure that the CDHS has the capability to print on demand a hardcopy version of the Data Dictionary.
- G. Maintain the Manual and Data Dictionary Users' Guide developed during Takeover (see Exhibit A, Attachment I, Takeover, Section 1.19.4, Data Dictionary Users Guide). These documents shall specify standards and procedures the Contractor uses to maintain the Data Dictionary.

10.16 DATA FILE LAYOUT DESCRIPTIONS MANUAL

The Contractor shall create and maintain a Data File Layout Descriptions Manual, to be submitted during Takeover, in which every file in the HPE Process shall be defined. At a minimum, the following items shall be included:

- A. A record layout schematic, precisely identifying the location of each element in the record. Elements are to be identified by the element name appearing in the Data Dictionary.
- B. Definition and processing intent.
- C. Average number of records contained.

10.17 INTEGRATED TESTING

10.17.1 INTEGRATED TEST SYSTEM

To ensure the HPE Process operates according to CDHS and federal regulations and statutes, the Contractor shall maintain an integrated test environment, and shall fully test system changes prior to implementation in the production environment.

The integrated test system is an environment used to test system changes before promoting those changes into the production system. The environment shall include a test (mirror) version of on-line and batch programs and system files that are identical to the production environment.

To aid the CDHS in monitoring the system's accuracy, the CDHS reserves the right to utilize live transactions using de-identified data to test the Contractor's performance if necessary. This will include the establishment, by the CDHS, of test providers, applicants and beneficiaries on production files, as well as the submission of test data, and inquiries to the production system. The live-transaction testing process will be utilized by the CDHS, with notice to the Contractor, to assure that the test replicates results expected in the production environment.

10.17.2 INTEGRATED TEST SYSTEM – CDHS RIGHTS

The CDHS reserves the right to:

- A. Test operations activities by submitting test inputs, modifying test files, and reviewing system outputs.
- B. Obtain for independent analysis any test data being used by the Contractor.
- C. Review and approve test results prior to the Contractor promoting changes to production.
- D. Attend Contractor walkthroughs to validate test case and test case results for accuracy and quality.

10.17.3 INTEGRATED TEST SYSTEM – CONTRACTOR RESPONSIBILITIES

The Contractor shall:

- A. Operate and maintain a complete and current on-line test system, including a test version of batch and on-line programs and test tables and files. At a minimum, the test data shall include a true reflection of daily, weekly, monthly and semi-monthly volumes of enrollment data.
- B. Identify beneficiaries' enrollments and disenrollments used for testing to maintain the integrity of routine enrollment processing operations and files using de-identified data.
- C. Generate test output, including tables, files, reports, packets, and letters. Output shall be separately identified and clearly labeled. Test outputs shall be separate from routine enrollment outputs and available to the CDHS during business hours within twenty-four (24) hours of the request.
- D. Perform enrollment and disenrollment processing in a simulated production environment.
- E. Provide the CDHS with on-line access to the test environment, test tables, and files, and submit test data independent of notice to the Contractor's testing team.
- F. Accept test enrollment and disenrollment data submitted by the CDHS on hard copy or electronic media, without notice to the Contractor's testing team (i.e., the Contractor is unaware that the test enrollment data have been submitted).
- G. Initiate and conduct a walkthrough of Integrated Test changes that are ready to be moved into the production environment. Walkthroughs of test cases and results shall include a discussion of programs that are impacted by the system change. The Contractor shall include an on-line demonstration verifying the accuracy of system changes and handouts of test results. Walkthrough materials will be conducted for system changes involving major

modifications, or where a significant number of programs and/or files are modified when directed to do so by the CDHS.

- H. Develop and execute CDHS-approved test cases for system changes.
- I. Maintain integrated test facility activities, tables, files, and data elements necessary to meet CDHS requirements and simulate production.
- J. Produce and review control reports generated for each test update and processing cycle.

10.17.4 INTEGRATED QUALITY ASSURANCE (QA) TESTING TEAM

- A. The Integrated QA Testing team shall be responsible for:
 - 1. Developing test plans and test cases to ensure all HPE Process processing is accurate and complete.
 - 2. Testing all HPE Process changes and table updates prior to their implementation.
 - 3. The resolution of all transactions due to errors caused by system changes and table updates that are implemented incorrectly by the Contractor (e.g., keying errors, inadequate testing, inadequate quality review, programming errors).
- B. The Contractor shall:
 - a. Develop and implement a testing environment and the methodologies required to ensure that testing verifies all components process successfully and independently of each other, and ensures that all manual and automated processing are compatible with system changes and table updates.
 - b. Ensure an adequate number of QA staff is available to perform all testing, and ensure the testing is complete and accurate. No SG staff are to have testing responsibilities in the integrated testing area. The SG staff shall perform its testing in a testing area that is fully insulated from the QA integrated testing area.
 - c. Ensure staff employed in the testing team are knowledgeable in Medi-Cal enrollment processing, and familiar with all components of the HPE Process (i.e., all the manual and automated processes to process an enrollment through the HPE Process including the exception to plan enrollment request process).

10.18 CHANGE REQUIREMENTS

- A. The programs administered in this Contract will be dynamic, and changing programs may require numerous changes to the HPE Process. High emphasis is placed on the development of a system having the capability to implement such changes in an orderly and timely manner.

The CDHS may at any time notify the Contractor in writing of the need to modify HPE Process requirements. All but the most fundamental and far-reaching requirements changes shall be implemented within the fixed-price or cost-reimbursed scope of this Contract. Changes to the HPE Process requirements will be provided to the Contractor via C-Letters or Process Operations Instructional Letters (POILs), which may include a Process Development Notice (PDN).

- B. The CDHS shall require the Contractor to implement changes mandated by policy, regulation, statute, or judicial interpretation. The CDHS requires adequate assurance that a given change has been correctly applied and meets CDHS-approved deadlines. The Contractor shall:
 - 1. Provide a work plan, change documents and related monitoring efforts for the CDHS approval for all system changes.
 - 2. Use industry standard project management principles and tools to manage, track and report status of all system change requests.
- C. The CDHS reserves the right to require the Contractor to contract with a CDHS-approved Independent Verification & Validation (IV&V) contractor for the development and/or implementation of large/complex system changes.
- D. For any Contractor-initiated changes, the Contractor shall notify the CDHS prior to implementation, providing CDHS sufficient time to review the change.

10.18.1 SYSTEM DEVELOPMENT NOTICES

- A. The CDHS shall use the System Development Notice (SDN) process to instruct the Contractor to initiate Systems Group (SG) development activity. The SDN is used to:
 - 1. Define the parameters of the change
 - 2. Identify the general functional requirements
 - 3. Prioritize the change
 - 4. Determine whether phases and deliverables shall be consolidated
 - 5. Identify prior authorized hours
 - 6. Define the type of acceptance testing and walkthroughs required
 - 7. Stipulate the requested operational date(s)
 - 8. Define any security risks associated with the change

10.18.1.1 GENERAL RESPONSIBILITIES

The Contractor shall:

- A. Prepare and submit a response to the SDN.
- B. The Contractor shall have eight (8) business days from receipt of a written SDN, unless the CDHS authorizes a different time period, to respond to an SDN. In its response, the Contractor shall submit the following:
 - 1. A preliminary estimate of the date when the project can begin in relation to projects currently scheduled for the SG.
 - 2. A preliminary work plan.
 - 3. An assessment of any lower priority projects that must be delayed for implementation of the project and the impact of the delay on the schedules of the lower priority projects. The CDHS reserves the right to postpone and/or terminate a project during any portion of a phase.
 - 4. A preliminary time and cost estimate to assist the CDHS in project priority setting and staff allocation if the Contractor considers this SDN to be a CO. This time and cost estimate shall include developmental costs.
 - 5. All other information requested by the CDHS in the SDN.
 - 6. Acknowledgement that the Contractor has a complete understanding of the request or that the Contractor needs further information in order to begin the project.
- C. The Contractor shall not begin work on any SDN without prior written approval from the CDHS.

10.18.2 ESTABLISHMENT OF HOURS

- A. Project hours shall be based upon projected actual work hours exclusive of time off and administrative time. Project hours shall be established for each phase, unless otherwise directed by the CDHS.
- B. The Contractor is required to utilize a project estimation methodology that is comprehensive, verifiable, and straightforward to permit detailed CDHS review of all estimates. The CDHS shall review project estimates and shall approve all estimates before work begins.
- C. The Contractor shall be responsible for providing cost estimates and adhering to those estimates, so long as the project scope does not change. The CDHS shall be billed for actual hours worked.
- D. The CDHS may at any time alter the project scope through a revised SDN and/or cancel an SDN through a C-Letter. The Contractor shall then have eight (8) business days from receipt of the written SDN documentation, unless the CDHS specifies a different time period, to respond to the revised and/or cancelled SDN in the format prescribed above.

10.18.3 SYSTEM DEVELOPMENT PHASES

The Contractor shall have primary responsibility for all technical processes and products required for the three (3) primary SDN phases: system analysis/designing, test plan and systems implementation.

10.18.3.1 GENERAL RESPONSIBILITIES

The Contractor's SG shall:

- A. Follow three (3) specified phases in designing, testing and implementing a computer software system change (as described below). The Contractor shall submit all required deliverables to the CDHS at the completion of each phase for review and prior written approval. The CDHS shall provide the Contractor with the formats to be used for each deliverable. The Contractor shall submit all deliverables in the formats provided by the CDHS.
- B. At the CDHS discretion, be required to perform one or more of the pre-system development phases, including but not limited to, Project Definition Analysis (PDA) and General Functional Requirements (GFR).
- C. Provide walkthroughs on deliverables for all phases of system development. Deliverables for each walkthrough shall be distributed to the CDHS two (2) business days prior to the date of the walkthrough. Implementation approval walkthroughs shall be conducted according to a CDHS-approved walk-through schedule.
- D. Meet the Contract documentation standards established in this section for each required deliverable for each phase. The Contractor shall provide an electronic and a paper copy of each deliverable to the CDHS.

10.18.3.2 PHASE I, SYSTEMS ANALYSIS

- A. The systems analysis phase deliverables shall include System Functional Design (SFD), project work plan, and preparation and definition of systems and acceptance test criteria. As a standard, the Contractor shall use the Unified Modeling Language (UML) and use the UML, which simplifies the complex process of software design, creating a "blueprint" for construction.
- B. The Contractor shall conduct walk-throughs for CDHS to ensure the Contractor understands the requirements.

10.18.3.2.1 SYSTEM FUNCTIONAL DESIGN (SFD)

In this document, the Contractor shall describe the design approach the technical staff shall use to produce programming specifications. The Contractor shall not change the final SFD document without prior written CDHS approval. The SFD

shall be approved in writing by CDHS via a System Functional Design/Technical System Design (SFD/TSD). The SFD deliverable shall contain:

- A. A list of all changes, including but not limited to, program code, databases, screens, reports, tables, and document files, to be changed, used, or otherwise affected by the SDN.
- B. A list of all data elements to be changed, used, or otherwise affected by the SDN. Each data element listed shall be identified and described in terms of source and function.
- C. Detailed, specific definitions of all electronic files and data elements referred to in the deliverable.
- D. Step-by-step process definitions, for both computer and manual processes, including a program code-level design.
- E. Descriptions of any other SDN output.
- F. Data flow diagrams and process models to help users understand what is changed within the SDN.
- G. Timing and frequency of the system operations involved in the SDN.
- H. Special considerations in developing the TSD.
- I. A Security Risk Assessment performed by the Information Security Officer (ISO) identifying potential threats, and vulnerabilities as a result of the change.

10.18.3.3 PHASE II, TEST PLAN

The Contractor shall develop a detailed test plan describing each of the program areas modified as a result of the system change and how the Contractor intends to verify that the system changes are operating as designed. The test plan deliverable shall describe all stand-alone, parallel, stress, regression, volume, and acceptance testing to be performed. No testing is to be conducted in the absence of a CDHS-approved Test Plan. The Test Plan shall specify at a minimum:

- A. The changes to be tested.
- B. The general information required in order to perform the test.
- C. The inputs needed to perform all tests. The inputs needed for the “expected fail” test (subjecting the new system to conditions that would, according to the project requirements, cause it to discontinue processing) shall be included.
- D. The process to be used to generate test results.

- E. The specific test conditions and expected results.

10.18.3.3.1 TESTING AND TEST RESULTS DOCUMENTATION

The Contractor shall produce individual test protocols and a total test system, which shall assure that all SDN project requirements are met. Testing shall also assist in developing the procedures needed to properly use and to support the system. At a minimum this includes:

- A. Testing all individual programs to ensure that they function correctly. Individual program interaction tests and full system tests shall be performed (including stress tests). The CDHS and SG shall have access to the system-testing environment. The Contractor's automated and manual control procedures as well as all end-user procedures (including those to be used by the CDHS, if any) shall be developed and tested.
- B. If the CDHS will be involved in independent and/or joint acceptance tests (the CDHS may mandate, or the Contractor request, such involvement), providing all necessary support for the CDHS participation. The testing activities shall follow the outline provided in the Contractor's work plan.
- C. Creating detailed test cases including items to be tested and all applicable pass/fail criteria.
- D. Conducting acceptance testing. Acceptance testing shall be conducted by dedicated staff as required in Section 10.17.4, Integrated Quality Assurance (QA) Testing Team.
- E. Reviewing manual, administrative, and operating procedures. Validate QMP procedures for setting accuracy and error levels and for monitoring compliance.
- F. Validating control procedures.
- G. Creating actual test situations, accurately and fully capturing all test results and outputs, preparing the test results deliverable electronically and submitting the test results to the CDHS according to the project work plan. The deliverable shall contain at a minimum:
 - 1. A summary of the testing results for each test condition documented in the Test Plan deliverable.
 - 2. Run logs.
 - 3. Input and output file data that are formatted for easy review.
 - 4. Test reports, including before and after conditions.
 - 5. File comparisons generated as a result of parallel testing.

6. All backup documentation pertaining to each condition tested.

10.18.4 PHASE III, SYSTEMS IMPLEMENTATION

The systems implementation phase deliverables shall include the implementation of system changes, monitoring, and post-implementation review.

10.18.4.1 IMPLEMENTATION

Implementation consists of migrating the system changes developed and tested under the SDN process into the production environment, consistent with the CDHS-approved project work plan.

10.18.4.2 POST-IMPLEMENTATION REVIEW (PIR)

The Contractor shall review the newly implemented operations to determine if the submitted product functions in keeping with all requirements and specifications. The review period shall be proposed by the Contractor and approved in writing by the CDHS. The PIR process shall establish whether the project's operational objectives have been met, whether the operational development effort was performed efficiently, whether the cost and completion time were within the project estimates, and whether the system documentation is satisfactory. The post-implementation review deliverable shall contain:

- A. How the review was performed (e.g., reports reviewed, and business work flows).
- B. Significant variances between expected user results and actual system performance.
- C. Variances between estimated and actual costs.
- D. Variances between estimated and actual project work schedules.
- E. All unanticipated operational problems (include details of all reported incident reports associated with the SDN).
- F. Variances between the operational design, as implemented, and the design appearing in the operational documentation.
- G. Recommendations for remedies for significant deficiencies.

10.18.5 SYSTEM OPERATIONS INSTRUCTIONAL LETTER

The CDHS shall use the System Operations Instructional Letter (SOIL) to notify the Contractor of changes in the enrollment program policies and/or procedures. These changes in policies and/or procedures may require modifications to the HPE Process or related applications, including but not limited to, various updates to existing tables or files. The SOIL shall also be used to initiate various ongoing system modifications required throughout the Contract that fall within the Contract scope of work.

The Contractor shall provide detailed system and test documentation to the CDHS for review and approval prior to the implementation of the system modifications. The document must adequately demonstrate that the modification is non-interruptive to operations.

10.19 PROJECT MONITORING

- A. Project priorities shall be set by the CDHS and communicated to the Contractor. The Contractor shall notify the CDHS when re-prioritization will have a material impact on scheduling and/or when staff re-allocation is needed to meet a planned implementation date. The Contractor shall be responsible for assuring that all required CDHS approvals are obtained on all projects, and that the Contractor staff performs quality work in a timely manner as specified in the project work plan.
- B. The Contractor shall utilize project management software compatible to the CDHS as a tool for project planning, progress assessment and project status reporting to the CDHS. . Project management tracking report formats shall be provided for CDHS review and written approval. The formats shall be designed using the same phases and deliverables used in the Section 10.18.3, System Development Phases, above. The CDHS shall be provided real-time read access to up-to-date electronic versions of all current, past, and proposed future project work plans. The Contractor shall also provide the CDHS copies of detailed work plans on electronic media and/or paper, upon request.

At intervals established by the CDHS the Contractor shall:

- 1. Provide a status report with the following information for each PS, SOIL, CO, emergency program fix, and any other non-SDN work items that are the responsibility of the Contractor. These status reports shall be provided on a monthly basis, unless the CDHS specifies a different reporting interval. The status report shall contain, but not be limited to, the following:
 - a. Project tracking number, job title, and a short description of the work.
 - b. Estimated completion date for each major milestone, work item, and/or project phase.
 - c. Revised completion date, if any.
 - d. Current status (most recently completed work item, milestone, and/or project phase).
 - e. Name of each SG staff person assigned responsibility for each work item, milestone, and/or project phase.

- f. Number of hours each SG staff person worked on each work item, milestone, and/or project phase.
 - g. Number of hours for each phase of the project worked by each SG staff person.
 - h. Total number of staff hours worked for the entire project.
 - i. Schedule variance between projected hours to be worked and actual hours worked.
 - j. Priority category of the work item, milestone, and/or project phase.
- 2. The Contractor shall submit status reports for open work items on a weekly basis. Status reports for completed and/or closed work items shall be submitted monthly and shall include only those items completed and/or closed during the month.
 - 3. The ISO shall maintain accurate records of all risk/system assessments and remediation. The ISO must meet monthly to discuss security and privacy with CDHS.

10.20 EVALUATION OF MANUALS

The Contractor shall:

- 1. Demonstrate that all manuals required for the HCO Operations and the HPE Process are available, current, complete, and adequate for the Contractor's environment. CDHS shall review, evaluate and approve all procedures, training, and any other HCO Program documentation.
- 2. For each manual, provide walkthroughs to CDHS staff by key Contractor staff from organizational units affected by the manuals.
- 3. Provide to CDHS staff copies of the manuals or other CDHS-approved presentation materials for the walkthroughs. The number of copies shall be determined by CDHS.
- 4. Update any manual(s) found to be inadequate by CDHS within the time frames as specified in this Contract.

10.21 SYSTEMS GROUP

To implement required modifications and ongoing maintenance of the HPE Process and supporting systems, the Contractor shall establish and maintain a local on-site Systems Group (SG). The Contractor's SG shall be assigned to permanent duty stations in the Contractor's main operating facility where CDHS staff who have primary SG oversight responsibilities are stationed. SG staff may be assigned to other facilities only while working on a Systems Development

Notice (SDN), as described in the following paragraph with the Contractor Officer's prior approval.

The SG shall consist of a SG Manager and a sufficient number of technical staff to meet all Contract requirements. The technical staff positions within the SG may include, but are not limited to, Systems Analysts, Systems Testers, Systems Programmers, Hardware/Telecommunications Specialists, Technical Writers, and Computer Operators. The Contractor shall also provide the SG with enough administrative staff to meet its administrative needs.

Unless otherwise directed by the CDHS, the SG shall work only on the activities identified in this section.

10.21.1 GENERAL RESPONSIBILITIES

The Contractor's SG shall:

- A. Operate and maintain the HPE Process and all supporting systems, including network infrastructure and telecommunications lines. This responsibility includes, but is not limited to:
 - 1. Updating system files and/or tables, and adding new codes or coding structures. Examples of such updates include adding, deleting, and/or modifying county codes, health plan codes, mandatory and non-mandatory beneficiary aid codes and/or zip codes.
 - 2. Maintaining software programs and applications.
 - 3. Revising the beneficiary assignment algorithm logic and health care plan effective dates.
 - 4. Adding, deleting, and/or modifying Medi-Cal Eligibility Data System (MEDS) HCO Program transaction log error codes, and/or beneficiary health plan status codes.
 - 5. Modifying system file layouts and/or processing logic in response to a change in the MEDS file layout.
 - 6. Maintaining network interfaces with the CDHS computer systems identified in this Contract.
 - 7. Monitoring and maintaining all hardware, network infrastructure, telecommunication equipment and lines.
- B. Modify application programs, manual procedures, and/or system hardware as necessary to bring HPE Process processes into compliance with existing Contract requirements.

- C. Modify application programs, manual procedures, and/or system hardware as necessary to improve HPE Process functionality.
- D. Develop new HPE Process applications and procedures, and replace old applications and procedures when additional functionality, speed, stability, etc., as needed.
- E. Maintain and revise existing system-based reports, and develop new reports to reflect system changes.
- F. Complete system modifications required for correction and/or resolution of PSs.
- G. Correct system errors caused by the implementation of system changes, provide operations support to handle production-related failures and/or problems, and perform and/or coordinate all recovery procedures.
- H. Update and maintain all system-related documentation (as described in this section).
- I. Maintain the computer operating system(s) and system components, install and maintain licensed hardware and software products and/or database components, and maintain system hardware.
- J. Except in emergency situations requiring immediate action, fully comply with all CDHS-mandated oversight, documentation, testing and approval processes when implementing any system change (including, but not limited to improvements, patches, production changes, emergency repairs, and hardware replacement).
- K. Provide user acceptance testing and end user support for all newly implemented systems modifications applied to existing systems.
- L. Provide programming support for CDHS ad hoc query and report requests when those queries and reports cannot be run from the HPE Process automated end user query/reporting interface.
- M. Provide ongoing maintenance of and support for the technology infrastructure. This includes, but is not limited to, system performance monitoring, capacity planning, system assessments and risk analysis. The Contractor shall conduct systems monitoring and analysis/assessment, as needed, but shall also be prepared to conduct systems monitoring and analysis/assessment a maximum of once a quarter CDHS-requested assessment per Contract phase. The CDHS may request assessments for reasons that include, but are not limited to, compliance with statutory and/or regulatory requirements, and/or determining system readiness for proposed program changes.
- N. Perform all required systems-related quality management assessments.
- O. Provide Takeover and Turnover support.

10.21.2 ADDITIONAL SG STAFF

If the workload within SG requires additional staff or if the workload may be met in a timely manner by using highly specialized personnel, the Contractor may submit a proposal to temporarily increase the staffing levels of the SG. The assignments of these additional staff are subject to CDHS review and approval. The CDHS reserves the right to terminate temporarily assigned staff.